



Legislature of Ontario Debates

Monday, June 14, 1971 — Friday, July 9, 1971



ONTARIO

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OFFICIAL REPORT — DAILY EDITION

Fourth Session of the Twenty-Eighth Legislature

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Afternoon Session

Speaker: Honourable Fred McIntosh Cass, Q.C.

Clerk: Roderick Lewis, Q.C.

THE QUEEN'S PRINTER
TORONTO
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LEGISLATIVE ASSEMBLY OF ONTARIO

MONDAY, JUNE 14, 1971

The House met at 2 o'clock, p.m.

Prayers.

Mr. Speaker: This afternoon we have as guests, in the east gallery, students from C. R. Marchant Senior Public School in Weston and from Ignace Public School in Ignace, and in the west gallery from St. Margaret's Separate School in Toronto and South River High School, South River.

Later this afternoon, we will have students with us from Toniata Public School in Brockville.

Statements by the ministry.

Oral questions.

FIVE PER CENT TAX CREDIT

Mr. V. M. Singer (Downsview): Mr. Mr. Speaker, I have a little difficulty, but I have a few questions here. A question of the Minister of Revenue: Could the minister advise us how much it has cost the Province of Ontario to date by reason of the five per cent deduction from corporate tax for the purchase of machinery; and the number of jobs that have been supplied since April 26, 1971, the effective date of that statute coming into force?

Hon. E. A. Winkler (Minister of Revenue): Mr. Speaker, inasmuch as the question requires statistical information, I will take it as notice.

Mr. Singer: By way of supplementary, when the minister provides the information—

Mr. Speaker: There cannot be a supplementary, but the hon. member may ask a new question.

Mr. Singer: A second question then of the same minister: When he provides the information, could he give us that information up to the most current date?

Hon. Mr. Winkler: Inasmuch as my estimates will be on the floor very soon, I will certainly see that that is done.

FEDERAL-PROVINCIAL CONFERENCE OF MINISTERS OF AGRICULTURE

Mr. Singer: Mr. Speaker, I have a question of the Minister of Agriculture and Food. In view of the present chaos insofar as marketing is concerned in Canada, would Ontario be prepared to convene a meeting of all of the provincial Ministers of Agriculture, together with the federal Minister of Agriculture, in order to determine whether or not a common agreement as to a marketing scheme could be established, particularly in relation to chickens and eggs, similar to that marketing scheme which was worked out in a somewhat similar manner for the marketing of grain?

Hon. W. A. Stewart (Minister of Agriculture and Food): Mr. Speaker, first of all, there is a meeting called of the Ministers of Agriculture with the federal minister. It is taking place within about one month's time. It is scheduled for mid-July, when I am sure these matters will be discussed.

Naturally, we hope that Bill C-176 would have had the approval of the House of Commons by that time, so that we might be able to examine in more detail how best the provincial plans may fit in with the legislation provided in Bill C-176. Judging by the number of amendments that are proposed to Bill C-176 and the number of bills that are on the order paper of the House of Commons, it would appear somewhat doubtful if that legislation will have had appropriate consideration and approval by the time the ministers' conference will be convened.

In the meantime, however, I was heartened, as I am sure my hon. friend from Downsview was, by the report of the last meeting of the Canadian Broiler Council when it appeared that eight of the 10 provinces, as represented by their broiler producing marketing boards, were in accord that some type of an agreement should be worked out on an interprovincial basis.

I think they all shared the concern that most of us have now that Bill C-176 has not progressed further. Perhaps they may explore ways and means under The Agricultural

Products Marketing Act of Canada whereby the various provincial groups may seek some type of joint action under the authority provided in that Act. That is about the most up-to-date information I have on it at this time. We are hopeful that by the time the ministers' conference comes along perhaps the other provinces will have seen their way clear to join the Canadian Broiler Council and resolve the issue under that statute.

Mr. Singer: By way of supplementary, would the minister not agree that even if Bill C-176 is finally passed there would be some substantial question about its effectiveness unless there is the real co-operation of the 10 provinces?

Hon. Mr. Stewart: Agreed!

Mr. Singer: Would the minister be conveying the real concern of this House to that conference, in light of the fact that all members of the House want some resolution to this very serious problem?

Hon. Mr. Stewart: Mr. Speaker, I have already done this. We are away ahead of my hon. friend. If he had had the opportunity to read the statement that I made to the federal Department of Agriculture standing committee on January 25—and I believe those copies are available, Mr. Speaker—he would see we were very much concerned that it required the co-operation of each of the provinces in this legislation or it really cannot be completely effective. It just has to have that. Quite frankly, I took the position that if any province saw fit or chose not to accept participation in any commodity marketing plan on a national basis, that province should determine to look after the disposal of that commodity's production within its own provincial borders. Otherwise the plan is just hopeless, we might as well not have it.

Mr. Singer: By way of further supplementary: In preparation for the meeting—I think the minister said in July—is the minister taking any steps in advance to advise his colleagues, the other Ministers of Agriculture and federal Minister of Agriculture, of the desires, hopes and aspirations of the Province of Ontario in this field?

Hon. Mr. Stewart: Yes.

OLD FORT WILLIAM

Mr. Singer: Mr. Speaker, I have a question of the Minister of Tourism and Information.

Has the Ontario government approached the federal government, and particularly the

federal Minister of Indian Affairs and Northern Development, to ask its aid in acquiring the CP railway yards at the foot of McTavish Street in Thunder Bay for the purpose of locating the Old Fort William project there?

Hon. F. Guindon (Minister of Tourism and Information): Yes, Mr. Speaker, I have been in touch with Mr. Jamieson, the Minister of Transport, and I am waiting a reply.

Mr. Singer: By way of supplementary, has the minister in fact spoken to the Minister of Indian Affairs and Northern Development, who advised the federal member from Fort William that he had received no such approach from the Province of Ontario?

Hon. Mr. Guindon: As I said, I have approached the Minister of Transport, Mr. Jamieson.

Mr. Singer: Does the minister also intend to approach the Minister of Indian Affairs and Northern Development?

Hon. Mr. Guindon: I would like to inform the hon. member, Mr. Speaker, that the city council of Thunder Bay also has a resolution to the federal government and to my knowledge it, too, has not heard from them.

Mr. Singer: More specifically, and by way of further supplementary, would the minister not think it advisable that as well as approaching the federal Minister of Transport representations might be made to the Minister of Indian Affairs and Northern Development in that government?

Hon. Mr. Guindon: Mr. Speaker, I have no objection whatsoever. However there is a time element. I would be quite prepared to write to the hon. minister and hopefully get a reply as soon as possible.

Mr. Singer: What time element does the minister refer to?

Hon. Mr. Guindon: For the reconstruction at Fort William. We feel that time is of the essence, and if we do not get any reply from the federal government this matter will be delayed; we are hoping to get it done as soon as possible.

Mr. Singer: Could the minister advise how it could possibly delay the project if he sat down and wrote a letter to the federal minister? Might it not expedite it?

Hon. Mr. Guindon: It is a matter of two or three weeks if we do get a reply.

SPECIAL ENGLISH TESTS FOR NEW CANADIANS

Mr. Singer: Mr. Speaker, I have a question of the the Provincial Secretary and Minister of Citizenship.

Is he aware of the special tests being given to new Canadians to ascertain whether they have learned English well enough to work at certain jobs or enter the post secondary level of instruction as presently being administered by the Toronto Board of Education?

Hon. J. Yaremko (Provincial Secretary): Is the hon. member referring to the so-called Michigan test?

Mr. Singer: That is the one.

Hon. Mr. Yaremko: I have just become aware of it, but have no details with respect to its nature and its application in respect of our own programme. It is something which I intend having the department check into.

Mr. Singer: Does the minister think it is reasonable that this kind of test, if at all necessary, should have evolved in the United States and could not perhaps have been worked out in the minister's own department?

Hon. Mr. Yaremko: Mr. Speaker, it has not yet been established that the test has any relationship to the jurisdiction of this department. I may say this, that the textbooks and the material developed by The Department of Citizenship are presently being used all over the world.

Mr. Singer: That was not what I asked the hon. minister.

Hon. Mr. Yaremko: I am replying to the hon. member's question. When others see fit to use as their materials, materials developed by us, I am not horrified that something developed somewhere else is being used by us. If it meets our purpose, I see no question to it, just because it happens to be known as "the Michigan test."

As I said to the hon. member, I am having the matter checked into to see its applicability and whether it is advantageous or disadvantageous or has any ill effect upon our own programmes.

Mr. Singer: By way of supplementary; would the minister undertake to consult with his colleague, the Minister of Education (Mr. Welch) and advise this House at the earliest opportunity whether or not such a test, if it

is necessary, should not be studied and worked out either within the Province of Ontario and adapted to Ontario's needs?

Mr. W. G. Pitman (Peterborough): By OISE.

Mr. Singer: That is all I have for the moment, Mr. Speaker. There are two other ministers I am looking for; they are not here.

FARM MACHINERY PARTS DEPOTS

Mr. Pitman: I want to direct a question to the Minister of Agriculture and Food. I wonder if he has done any studies on the proposal which has been made by Gordon Hill of the Ontario Federation of Agriculture that centralized depots for farm machinery parts be set up across the province?

Hon. Mr. Stewart: No, Mr. Speaker, I had not even heard of it until now.

Mr. Pitman: Surely the minister has considered this, in view of the statement in the report on farm machinery of a couple of weeks ago, the suggestion being that the main problem the farmer faces is the fact that he cannot get parts for the machinery which he uses?

Hon. Mr. Stewart: Mr. Speaker, there is really nothing new about the lack of availability of parts.

Mr. Pitman: I will say it is not new; that is the point!

Hon. Mr. Stewart: This does not apply to all companies nor does it apply to all circumstances affecting all companies. It does occasionally happen.

The farm income committee, of which Mr. Hill was a member a few years ago, made a suggestion that there be a Crown corporation, I believe, established to handle farm machinery and parts and servicing and all the rest of it.

The farm equipment dealers themselves took a very dim view of that—that is the little dealer out in the country. They took a very dim view of that idea, because he had to be licensed and regimented and inspected and all the rest of it. I have a very great sympathy for the local dealer, believe you me, because that fellow is caught in the squeeze between the big company on this side and the—

Mr. Pitman: Leave some sympathy for the farmer too.

Hon. Mr. Stewart: —and the farmer on the other side and he is in a real problem.

Generally speaking he has a good relationship with the local farmer. I know as far as I am concerned it would be difficult to operate my farm without a good relationship between the local dealers and myself as a farmer; and that, I think, applies for most farmers.

This suggestion that has been made may carry some merit. I have some reservations about it, because what happens to all the other dealers? I do not know what Mr. Hill's plan is specifically, but the suggestions that I have heard in relation to other such composite types of farm machinery depots, to me leave something to be desired. Somebody has got to carry the costs of all those parts, there is no question about that. That costs money, not only from the standpoint of inventory but in carrying costs and servicing as well.

In my way of thinking, we farmers will be paying the shot of carrying that cost for those central depots and I would sooner see a very strong—

Mr. Pitman: The farmers are paying the shot now.

Hon. Mr. Stewart: We are paying the shot now, yes; but we are getting along reasonably well, with few exceptions.

Mr. Pitman: Certainly Mr. Hill does not think so. The farmers do not think so.

Hon. Mr. Stewart: There are some farmers who are saying that, but the Farm Machinery Advisory Board, under the—

An hon. member: The minister is losing his grip.

Hon. Mr. Stewart: — secretary-manager-ship of Prof. Wright from Guelph, and the farmers that are on that board have recognized there are some problems but they have been able to resolve a great many of them, a very great many of them. The report that I have of the farm machinery advisory board's activities of last year clearly indicates that it has been able to resolve most of these problems to the satisfaction of the farmers involved.

There may be isolated cases; certainly there can be. Some come to my attention. I had one last week and in the absence of the secretary-manager I had to handle it myself. I think we resolved the matter reasonably well. But I can tell members there are more

problems involved here than meet the eye and it is not just as simple as it would appear.

Mr. Pitman: I wonder if the minister would consider bringing Mr. Hill and his associates before an appropriate standing committee of this House to do a study of this whole business of what farm machinery is doing to the farmers in this province?

Mr. D. C. MacDonald (York South): Well, what is the answer?

Mr. Pitman: Well?

Hon. Mr. Stewart: No minister directs people to come before the standing committee; my hon. friend knows that perfectly well.

Mr. Pitman: I am sure if the minister wanted to encourage the appropriate chairman and the appropriate members of that committee, we would soon have—

Mr. Speaker: Would the hon. member ask a question rather than making a statement?

NUMBER OF JOBS FOR TEACHERS' COLLEGE STUDENTS

Mr. Pitman: Yes, I will direct a question to the Minister of Education. I wonder if the Minister of Education could indicate to us what percentage of the students who have been enrolled in the teachers' colleges across Ontario now have jobs? Would it be as much as 50 per cent or would it be less?

Hon. R. Welch (Minister of Education): Mr. Speaker, I would have to get that information for the hon. member. It certainly is more than 50 per cent, of that I am satisfied.

But to be more accurate I will take the question as notice and provide the hon. member with information as it is available to us. One of the difficulties here, of course, is that we provide the students at the teachers' colleges with cards in hopes they will in fact send them back to the college to indicate they have received a position, but many of them do not do this once they do get positions. There may be some difficulty getting the information very quickly, but I will do it as soon as I can.

Mr. Pitman: Mr. Speaker, I wonder if I could ask a supplementary question: Is there any way in which the minister can secure some indication of how many of the 700 who were unemployed the previous year are still unemployed? We will never be able to get any kind of inventory of the number of

teachers who are unemployed in this province unless we get that kind of information.

Hon. Mr. Welch: Mr. Speaker, I would be glad to see how practical it is to get that information. I met with the executive of the student's council of the Althouse College and I know that they themselves were gathering information relative to the hon. member's first question, watching the progress of their own student body in securing employment. So I know there have been some real efforts to follow up on this. But I will see how practical it is to get the information which the hon. member requested in his second question.

Mr. Pitman: A related question, Mr. Speaker: Is there any possibility that the Minister of Education can do something to help those teachers who have taken teachers' college training assuming they would receive jobs and who now have a very large Province of Ontario student aid debt which they now are unable to refund because they simply do not have any jobs?

Hon. Mr. Welch: Mr. Speaker, this introduces a very wide discussion. When this question was raised in the House before we did indicate that perhaps many of the teachers unable to secure positions this year might in fact obtain their one-year arts work which will be required next year anyway, so that they have the option perhaps of starting their arts programme in one of the universities. I am not able to comment with respect to the student aid programme, except I would assume they would be just as entitled as anyone else entering university for this type of financial assistance if they chose—

Mr. Pitman: But they cannot do that in some cases.

Hon. Mr. Welch: —to start their bachelor's undergraduate studies at one of the universities.

Mr. Pitman: I wonder if I might bring to the attention of the minister the possibility that there are some of the students in the teacher education programme who cannot go on, who simply will not be able to go on.

If I might ask a final supplementary on this one, is there any kind of a programme in the minister's department to ensure that teachers who have taken an undergraduate programme and have already got a BA will be given any precedence over those who have not got a BA programme? Those, for example, in Thunder Bay who have graduated with a BA

programme and have not got jobs; while those who have only got grade 13 have got jobs.

Hon. Mr. Welch: Mr. Speaker, to approach this from two ways: Of course at the moment that would be a decision which the local board would have to make in so far as their staff needs are concerned; well advised, as they will be by their officials, in making staff choices. However, we must realize that in 1974 the requirement for elementary school teachers of the province, other than the bilingual schools, will in fact be those with a degree, and therefore the decision is being made by the department with respect to teacher qualifications with that particular deadline in mind. Until that time the board itself will have to make the choice between the available staff people.

Mr. Pitman: Many are making the wrong choice.

CHARTS FOR POLLUTION PROBE

Mr. Pitman: A final question, Mr. Speaker. I would like to ask the Minister of Energy and Resources Management whether he has acceded yet to Pollution Probe's request that they be given the charts which enable them to assume whether air pollution is taking place over or in a particular chimney?

These are charts which I believe the air pollution control offices have in their hands, which Pollution Probe groups would very much like to get in order to be able to make some assessment themselves of what air pollution is taking place in a particular community.

Hon. G. A. Kerr (Minister of Energy and Resources Management): Mr. Speaker, I do not see any particular objection to this information being given to Pollution Probe. It is compiled by way of charts or some other form of recording. I would think the best possible way would be for somebody from Pollution Probe to attend the offices of air management and get that information firsthand, rather than requiring some duplication of these charts three or four times a day.

Mr. Speaker: A supplementary? No?

Then the Minister of Energy and Resources Management has replies to two questions which I think we should have.

Hon. Mr. Kerr: Mr. Speaker, they are replies to questions of the hon. member for Scarborough West.

Mr. Speaker: I think we should have them. They will be on Hansard and he can re-question later if he wishes.

ODOUR FROM ST. MARY'S MINK FEED PROCESSING PLANT

Hon. Mr. Kerr: The hon. member for Scarborough West asked me on May 28 last:

Has a solution yet been found for the extraordinary odour problem caused by the Finnie Distributing Plant at St. Mary's, given the minister's encyclopaedic knowledge of his department?

I wanted to throw that in.

The answer, Mr. Speaker, is that a proposal for a waste treatment works for Finnie Distributing Limited has been developed by staff of The Department of Agriculture and Food and is now being analysed by my officials.

I understand that plans call for the construction of the necessary works to relieve the odour problem this year. Finnie Distributing has been advised in the meantime to dispose of its waste on a daily basis to keep the problem to a minimum. I am also informed that the company has now covered the large lagoon with a plastic sheet, and a cement holding tank is being fitted with a similar cover. Wastes from these two areas are being taken for disposal to an area far removed from any of the residences.

Mr. Speaker: The other one too.

SURVEY OF NIAGARA REGION CONSERVATION AND RECREATION NEEDS

Hon. Mr. Kerr: Yes, the other one was asked on June 7 regarding a recreation and conservation survey in the Niagara Peninsula as it was referred to by myself in a speech to the Federation of Ontario Naturalists in April.

The answer is this survey should be completed by January, 1972. It is a normal survey carried out to assist a newly-formed conservation authority to prepare its future recreation land requirements. In this case, the report includes both escarpment lands and lakefront lands on Lakes Erie and Ontario.

Mr. Speaker: The member for Essex South.

HAIL DAMAGE AT POINT PELEE

Mr. D. A. Paterson (Essex South): Mr. Speaker, a question of the Minister of Agriculture and Food.

Will the hon. minister instruct his senior officials to investigate the very serious hail damage that was caused this past weekend in

the Point Pelee onion-growing marsh area with a view to possibly granting them some sort of financial assistance, in view of the fact that growers of this particular crop have not yet come under the terms of reference of the crop insurance programme; and also in view of the fact that this is possibly the fourth situation where disaster has occurred in the last five years in this area and it may be the end of these farmers?

Hon. Mr. Stewart: Mr. Speaker, I am very sorry to learn of the comments of the hon. member regarding the field damage in that area. Everyone sympathizes with the farmers who had their crops wiped out, I would assume, with harvesting approaching because of the early planting in that area.

Yes, I will certainly undertake to have our staff have a look at the situation. It is a regrettable affair and we will do what we can to be of assistance. I cannot hold out any specific hope of financial aid, but we will certainly do what we can.

Mr. Speaker: A supplementary?

Mr. Singer: No.

Mr. Speaker: The member for High Park.

ALLEGED DIVERSION OF POLLUTANTS BY INCO

Mr. M. Shulman (High Park): A question of the Minister of Energy and Resources Management, Mr. Speaker: Would the minister investigate the complaint that the International Nickel Company in Sudbury has installed two burners at the foot of their short stack so that when the pollution reading in Sudbury, on Ash Street, goes up to a high level they light the burners, which pushes the pollutants up higher in the air, giving a lower pollution reading at that point, but a higher pollution for the general area of Sudbury?

Hon. Mr. Kerr: Yes, Mr. Speaker, I will investigate that. I was not aware of it.

Mr. Speaker: The member for Rainy River.

FREE DENTAL CARE FOR CHILDREN UNDER 7

Mr. T. P. Reid (Rainy River): I have a question of the Minister of Health.

In view of the fact that Quebec has recently introduced a scheme to provide free dental

care for children under seven, and apparently has come to some arrangement with the federal government for financing, is the Ontario government going to undertake any such programme?

Hon. A. B. R. Lawrence (Minister of Health): Mr. Speaker, this question was raised during the estimates and I mentioned then that this is one programme of high priority. As to when we will be able to go ahead with such a scheme in Ontario I cannot tell the hon. member. I can simply say that it is one of the two or three priorities we have.

Mr. T. P. Reid: By way of supplementary, can the minister indicate what financial assistance is available from the federal government for such a scheme?

Hon. A. B. R. Lawrence: I believe it is close to 50 per cent.

Mr. Speaker: The member for Downsview.

METRO TRANSPORTATION STUDY

Mr. Singer: Mr. Speaker, I have a question of the Minister of Transportation and Communications.

Will the Province of Ontario pay the \$1.8 million which will be necessary for the new preliminary studies that are going to be undertaken in relation to whatever you might call that transportation system which we are now thinking about for Metropolitan Toronto?

Hon. C. S. MacNaughton (Minister of Transportation and Communications): Mr. Speaker, it is not a matter of whatever we call the transportation study; that was explained in some detail earlier in this House. The matter to which the hon. member refers reached my attention only through the news media and I would suggest that I am not in a position to answer the question at this point in time.

Mr. Singer: Can I ask a supplementary on that? I have a second question along the same line.

Mr. H. Peacock (Windsor West): A supplementary, Mr. Speaker: Without having a copy of the order-in-council relating to the Spadina decision, how can that transportation committee proceed with the implementation of the expenditure of \$1.8 million on the realignment of the rapid transit route?

Hon. Mr. MacNaughton: Mr. Speaker, that is a very good question. I do not know how

they can do it from the point of view described by the hon. member. I seem to recall reading that newspaper article and that it indicated they were going to have to make an application to the Ontario Municipal Board.

Mr. MacDonald: Supplementary!

Mr. Peacock: Further supplementary then, Mr. Speaker: Can the Minister of Transportation and Communications tell us when the order indicating whether the OMB order will be rescinded or varied will be made by cabinet?

Hon. Mr. MacNaughton: No Mr. Speaker, I cannot indicate that specifically. Presumably it will be before cabinet for decision in, let us say the reasonably near future.

Mr. MacDonald: A supplementary question, Mr. Speaker, flowing from the minister's earlier reply. Is not all overall study of any future metropolitan transportation system in the wake of the Spadina decision so obvious a need that the minister must have considered it and discussed it with the local authorities? How can he state that this came to his attention through the news media?

Hon. Mr. MacNaughton: My reference to its coming to my attention through the news media was to the specific request for \$1.8 million. I explained in the House—probably the hon. member was not here last week—on two occasions, at least, that we have had two discussions now leading up to the development and formation of a joint provincial, metro and area transportation study authority, if that is a good way to describe it. It does not have an official title yet. I believe one meeting was held as recently as last Thursday with the chairman of Metro and the chairman of the Toronto transportation committee.

Mr. MacDonald: A final supplementary question: Is the minister in effect saying that this joint study body will do the job and therefore the proposed expenditure of \$1.8 million by Metro and through some other agency is not necessary?

Hon. Mr. MacNaughton: No, Mr. Speaker, I do not imply that at all. Certainly some funds will be required, but I would suggest to the hon. member and to the House that it is a little early to make the determination in joint form.

The only recommendation or proposal that I have any knowledge of I learned of through

the press, and this is the proposal from Metro. I think if there is going to be joint study then all agents should be involved in the determination of what the relationship of shared costs should be.

Mr. MacDonald: I thought those fellows were talking with each other?

Hon. Mr. MacNaughton: We are.

Mr. MacDonald: It does not appear that way.

Hon. Mr. MacNaughton: That matter was not discussed.

Mr. Speaker: The hon. member for Downsview has a related question?

Mr. Singer: Yes. In regard to this new committee which the minister indicated would have shared responsibility, is there now any reason to believe that its decision will be final and not be vetoed at a later time by the government of Ontario?

Hon. Mr. MacNaughton: Mr. Speaker, I would hope our discussions leading to decisions will be of such a nature that there will be no necessity for that type of action.

Mr. Singer: I see. I have a further related question, Mr. Speaker.

Mr. Speaker: This will be the last one that this member can ask at this time.

Mr. Singer: Could the minister indicate how long before we can anticipate the first reports from this committee? And, in general terms, can he tell us what sort of recommendations we might look forward to?

Hon. Mr. MacNaughton: Again, if the hon. member reads the newspaper and the press assiduously as he does to enable him to propose questions, I would ask him to read an account of observations made by me to the press, after I left this chamber on the occasion when we discussed this matter before. Subsequent newspaper reports, following certain comments by the chairman of Metro, indicated that the formation of the technical advisory committee, its terms of reference, and the total establishment of such a committee will likely take three months.

Mr. Singer: Just the establishment?

Hon. Mr. MacNaughton: Of the committee. Yes; that is exactly the reference that was made both by myself and the chairman of

Metro which, I believe, the member can read in this morning's Toronto Globe and Mail.

Mr. Singer: The minister did not answer my question. When can we anticipate reports—after the three months is over?

Mr. Speaker: The minister has answered the question.

Mr. Singer: No; he did not, Mr. Speaker, with great respect.

Mr. Speaker: As he sees fit; it is his prerogative. The hon. member for Wentworth has the floor.

USE OF PUBLIC HOSPITAL FACILITIES BY PHYSICIANS

Mr. I. Deans (Wentworth): Thank you, Mr. Speaker. I know the Minister of Health will listen as he returns to his seat. I hope he will anyway. I would like to ask him a question.

Mr. Peacock: He never believes us when we want him to.

Mr. Deans: A question of the Minister of Health: Will he minister move, by way of Act or regulations, to ensure that physicians licensed to practise in the province of Ontario are permitted without discrimination to make use of hospitals that are publicly supported in whatever way they see fit to treat their patients?

Hon. A. B. R. Lawrence: No Mr. Speaker, baldly, I cannot make that commitment, although I can say, if you will excuse the expression—

Mr. J. R. Breithaupt (Kitchener): That is a self-serving statement.

Hon. A. B. R. Lawrence: —that I am very seriously studying the possibility of a broad inquiry into privileges and the use of our public hospital facilities by the profession and patients.

Mr. MacDonald: The minister's predecessor ten back was going to do that.

Mr. Deans: May I, then, by way of a supplementary question ask the minister whether, when he says "a broad inquiry" he is considering a public inquiry or an internal inquiry?

Hon. A. B. R. Lawrence: A public inquiry, Mr. Speaker.

Mr. Speaker: A further supplementary? If not, then the Provincial Secretary has the answer to a question asked by the hon. member for Kent (Mr. Spence).

USE OF CORN IN ALCOHOLIC SPIRITS

Hon. Mr. Yaremko: Mr. Speaker, the hon. member for Kent asked the following question—I believe it was a supplementary one:

Could this minister tell me if the many tons of corn that are used to manufacture alcoholic spirits are all grown in the province of Ontario or in Canada?

The answer is no, it is not all grown in the Province of Ontario or Canada. In anticipating the information the member wants I learned that 72,500 tons of corn were imported from the United States to Ontario in 1970 by Ontario distilleries, and approximately 261,000 tons of corn were imported from the U.S. to Canada in 1970 by Canadian distilleries and other users.

Mr. Speaker: A supplementary?
Then the member for Ottawa Centre.

REQUEST FOR SPEEDUP ON HIGHWAY CONSTRUCTION

Mr. H. MacKenzie (Ottawa Centre): Yes, A question of the Minister of Transportation and Communications: Is the minister aware there was another death on Highway 17 this weekend on the section east of Ottawa; and does the minister have anything to report with regard to his review of the plans for speeding up the completion of Highway 417?

Hon. Mr. MacNaughton: Mr. Speaker, I think the plans for completion of Highway 417, as far as the current fiscal year is concerned, were in the capital construction programme which I tabled in this House last week.

Mr. MacKenzie: By way of a supplementary, I appreciate what the minister says, but I am asking him—and I asked him a week ago—if he would review his plans in the light of the fact there is a predicted death rate of at least another 50 before he completes 417. I ask him again, would he review his plans?

Hon. Mr. MacNaughton: Yes, Mr. Speaker, I will review our plans.

Mr. Speaker: The member for Brantford.

LOANS TO LAKE ERIE COMMERCIAL FISHERMEN

Mr. M. Makarchuk (Brantford): Yes, Mr. Speaker, I have a question of the Minister of Trade and Development: Can the minister indicate if today is the day that Lake Erie fishermen are going to receive their ODC money?

Hon. A. Grossman (Minister of Trade and Development): I would think, Mr. Speaker, that they have already received it; either last Thursday or Friday, or probably they will have it by today. I was advised the money was in the hands of the banks, I think on Thursday or Friday, or it was going there this morning. But it is imminent if they have not received it.

Mr. Makarchuk: A supplementary, Mr. Speaker: I was informed Saturday they have not received it. My supplementary question is, can the minister indicate why the money is being paid to the bank instead of to the fishermen?

Hon. Mr. Grossman: I believe the arrangements, if I recall, were made that they were to go through the banks. I cannot give the hon. member any further details at this time. I will make inquiries to see if the cheques have been handed out by today at this hour, and if not we will find out why.

Mr. Speaker: The member for Kent.

Mr. Makarchuk: A supplementary—

Mr. Speaker: A further supplementary?

Mr. Makarchuk: Yes, can the minister—

Mr. Speaker: This will be the last one on this question because the minister cannot get the information at this time.

Mr. Makarchuk: Can the minister give assurance that the fishermen have the right to decide where that money will go, instead of the bank manager? In other words—

Mr. Speaker: The minister has already answered that part of the question.

Mr. Makarchuk: By way of supplementary, Mr. Speaker: In other words, does the minister realize that it is the fishermen who need assistance, not the banks?

Mr. Speaker: The member for Kent.

NOVA LASER SYSTEM

Mr. J. P. Spence (Kent): Mr. Speaker, I have a question of the Minister of University Affairs which I had difficulty giving to him on Friday.

An hon. member: The member did not have any difficulty. It was the minister.

Mr. Spence: When will the minister answer the question I asked in regard to laser equipment owned by the University of Windsor and used by a contractor in private enterprise; which other contractors feel is unfair competition? Is that true, Mr. Minister?

Hon. J. White (Minister of University Affairs): On Friday, Mr. Speaker, I directed my officials to get the information so that we could answer the question. I would hope to have that information tomorrow.

Mr. Speaker: The member for Sandwich-Riverside.

E. C. ROW EXPRESSWAY

Mr. F. A. Burr (Sandwich-Riverside): Mr. Speaker, I have a question of the Minister of Transportation and Communications. In view of the government's new philosophy of people over cars, will the minister review the relative merits of the E. C. Row Expressway from the point of view of comparing a four-lane road to a 10-mile expressway through the suburban part of Windsor?

Hon. Mr. MacNaughton: I think, Mr. Speaker, it probably might be sensible to allow the municipality of metropolitan Windsor to make a review of that situation first and let the Ontario government have the findings before any such unilateral move is made at this point in time. It is very difficult to compare the E. C. Row Expressway proposal with the Spadina Expressway situation. As a matter of fact, the E. C. Row Expressway, I think the hon. member will be aware, is in a rather substantially advanced state of progress at this point in time. It is not starting at the beginning, as is the case with the Spadina Expressway, in terms of capital construction. A very substantial amount of capital construction with respect to the E. C. Row is already under way and complete, as the hon. member knows.

Mr. Peacock: It will exceed Spadina.

Mr. Singer: I guess \$150 million is not very substantial.

Mr. Breithaupt: What is \$200 million?

Hon. Mr. MacNaughton: That is not quite an appropriate question, as the hon. member from Windsor well knows.

Mr. Peacock: The question was not from me.

Hon. Mr. MacNaughton: Oh, I see. It seemed to be coming from his direction. Forgive me.

Mr. Peacock: It is from the Conestoga Expressway review corporation behind me!

Hon. Mr. MacNaughton: Forgive me.

I do not know that I can answer the hon. member for Sandwich-Riverside's question in any more detail at this point in time other than to make the observations that I have made to this House and to the Legislature. If the city of Windsor, in its wisdom, requests a review, I would presume that we would undertake it. Or if any other agency requests a review, I suppose that the department would undertake it. But I cannot find any close basis of comparison with the two situations.

Mr. Burr: Mr. Speaker.

Mr. Speaker: A supplementary?

Mr. Burr: A supplementary: Is the minister aware that whether it is a four-lane highway or an expressway, the part of the expressway already done, or being done, is essential to both and therefore the one does not exclude the other?

Hon. Mr. MacNaughton: That is a matter that is probably worthy of pursuit and consideration. I will be happy to undertake it.

Mr. Speaker: The Minister of Trade and Development has answers to questions which we might have now.

ASSISTANCE TO FISHERMEN
IN POLLUTED AREAS

Hon. Mr. Grossman: Mr. Speaker, I have an answer to the question of the hon. member for Brantford. He has had an answer privately. I have just sent him a note asking him whether in fact he wanted me to give this publicly and I am awaiting a nod or a shake of his head.

Mr. Makarchuk: A public answer—read it publicly.

Hon. Mr. Grossman: The hon. member has asked if a Lake Erie commercial fisherman by the name of Gary Vaughan will receive assistance. Mr. Speaker, Mr. Vaughan's application has been studied with the utmost sympathy by ODC and they feel it does not warrant a loan. There is no reasonable basis for a loan. I have studied his file, and I can see no reason to disagree with ODC. That is all the information I can really give to the hon. member.

The hon. member for Rainy River—

Mr. Makarchuk: A supplementary, if I may.

Mr. Speaker: Supplementary, yes.

Mr. Makarchuk: In view of the fact that this view is not held by the other fishermen in the area, could the minister possibly detail the reasons why he is not receiving a loan, and also—in view of the fact of the answer the other day that all Lake Erie fishermen received loans—whether two other Lake Erie fishermen were disqualified?

Hon. Mr. Grossman: I cannot recall saying that, Mr. Speaker. If I said that they all received loans and this is one of them, then I erred. I will find out whether in fact I did say this.

As to why ODC has turned down this loan even though other fishermen believe he is entitled to one—of course we are very glad to have other people's opinions, but they do not have the decision to make. ODC is handling public funds and it has to take care as to how these funds are being handled and in its view this money would in fact go down the drain. In view of that I think that it is the only decision they could have arrived at.

Mr. Speaker: A supplementary?

Mr. Peacock: What opportunity is there for an applicant, such as the one mentioned by the minister, to have his application reviewed?

Hon. Mr. Grossman: There is no other way except to ask the board—the ODC—to reconsider it.

Mr. Deans: Reconsider their own decisions?

Hon. Mr. Grossman: Yes.

Mr. Speaker: The minister has another answer. We might as well get the decks cleared.

ASSISTANCE TO FISHERMEN IN POLLUTED AREAS

Hon. Mr. Grossman: Yes Mr. Speaker, the hon. member for Rainy River has inquired of me about assistance to commercial fishermen in areas affected by mercury contamination, particularly in northern Ontario; and what assistance the Ontario Development Corporation is providing. I think this has been answered previously.

The programme for fisheries' restructuring announced on February 8, 1971, by The Department of Lands and Forests and by The Department of Trade and Development provides for financial assistance to commercial fishermen in any part of Ontario where fish are being affected by mercury contamination.

An hon. member: That is what happened.

Hon. Mr. Grossman: Although the Northern Ontario Development Corporation anticipated a substantial number of applications from the northern part of the province, I am advised that at this stage no applications have so far been received.

Mr. T. P. Reid: That is not part of the answer at all.

VICTORIA COUNTY WELFARE DEPARTMENT

Mr. Singer: Mr. Speaker, I have a question that in the absence of the Minister of Social and Family Services (Mr. Wells) and because of the particular urgency, I would like to put to the House leader, recognizing he will probably have to take it as notice:

Would the minister advise the details of the recent difficulties in the Victoria county welfare department and state particularly if the director has resigned; if the post of assistant director is being eliminated; whether any criminal charges have been laid or not; and what, if anything, the government is doing about it?

Hon. A. A. Wishart (Minister of Financial and Commercial Affairs): Mr. Speaker, I would take that question as notice, particularly in the absence of the minister, and endeavour to get an answer.

Mr. Speaker: The member for Hamilton East.

VIOLATIONS OF HAMILTON'S WASTE DISPOSAL BYLAW

Mr. R. Gisborn (Hamilton East): Mr. Speaker, my question is of the Minister of Energy and Resources Management. Can I take it that the minister is aware that according to a press report last week there were 28 violations of the city of Hamilton's waste disposal bylaw?

Hon. Mr. Kerr: Mr. Speaker, I did not see the particular press release to which the hon. member refers. I am assuming if this was a breach of a city of Hamilton bylaw that something is being done by the city to enforce certain penalties under that bylaw.

Mr. Gisborn: A supplementary, Mr. Speaker: Would the minister investigate the violations and ascertain whether or not there were seepages into watercourses or Hamilton Bay through the violations, which would come under his department's jurisdiction?

Hon. Mr. Kerr: Yes, Mr. Speaker.

Mr. Deans: A supplementary question: Would the minister also determine whether or not all of the companies involved were notified in advance of the violation being filed?

It appears from the press report which my friend refers to that they were not notified they were in violation of the Act.

Hon. Mr. Kerr: Yes, I will include that in the investigation.

Mr. Speaker: The question period has now expired.

Petitions.

Presenting reports.

The hon. House leader.

Hon. Mr. Wishart: Mr. Speaker, I have pleasure in presenting the second interim report of the royal commission on book publishing.

Mr. Speaker, I should like to make a few brief comments with respect to this report. Copies are being made available to all members of the House at once, as well as to the press. I would ask the hon. members to note this report is dated as late as June 8, 1971, and therefore was received a very few days ago.

The report is brief but extremely important in its content. I would direct the attention of the members particularly to the last

paragraph on page 3 of the report, which sets out certain concerns of the members of the commission. Then particularly to the recommendation of the commission which is contained on page 4, and which recommendation urges the Legislature, the government, to bring in legislation implementing the action recommended by the commission in this report.

As a result of the receipt of that report last week, the Prime Minister (Mr. Davis), having read it, expressed his concern and his desire for action in carrying out the recommendations. His direction was that legislation be prepared as quickly as possible to meet that recommendation.

As a result of that I would expect later today, Mr. Speaker, at the appropriate time on the order paper, the present legislation which has been prepared with care and with much industry in the short time available in an endeavour to meet the recommendations of the committee, having in mind particularly the urgency which is indicated in the report—the urgency as to time—in that the commission has knowledge, which it has made available as background of this report, that certain takeovers were quite imminent, very imminent.

Therefore I do point out particularly to the members of the House that the Prime Minister has urged that the government lose no time in taking the necessary action to carry out the recommendations.

I will be presenting that legislation, I trust, later today. I do direct particularly the attention of the members to those sections of the report to which I have referred. The whole report is full of very important content.

Hon. A. B. R. Lawrence: Mr. Speaker, I would like to table a report of the review committee on prescription product substitution. This was a committee chaired by Julian Porter, a Toronto lawyer, members Nathan N. Levinne, a doctor, Joseph W. Spence, Bachelor of Science in pharmacy and the executive secretary was Earl G. Coulson, of my department. If I may, Mr. Speaker, I would like to read the two recommendations, which are quite brief and in a couple of sentences.

The unanimous opinion of the committee was as follows: Unless directed otherwise by the prescribed, a pharmacist when dispensing a prescription for a product listed in the Parcost comparative drug index may select and dispense a comparable

pharmaceutical product, provided that the cost of such product to the consumer is equal to or lower than the lowest-priced comparable pharmaceutical product listed in the Parcost comparative drug index.

Second recommendation: We further recommend that the pharmacist be required to label all prescriptions with the name of the drug product as well as the strength and the manufacturer's identity.

Hon. Mr. Welch: Mr. Speaker, my colleague, the Minister of University Affairs, recently tabled financial statements for the 14 provincially assisted universities in Ontario and I am very pleased to place before the members the auditor's statements for the year 1969-1970 for the 20 Colleges of Applied Arts and Technology; and in addition, the financial statements for the year ended June 30, 1970, of the Ontario Institute for Studies in Education.

Mr. Speaker: Motions.

PUBLICATION DISTRIBUTORS REGISTRATION ACT

Hon. Mr. Wishart moves first reading of bill intituled, An Act to provide for the Registration of Businesses Engaged in the Distribution of Paperback and Periodical Publications.

Motion agreed to; first reading of the bill.

Hon. Mr. Wishart: Mr. Speaker, to speak briefly on the first reading of the bill, I would point out that the purpose of the bill is to impose requirements for Canadian ownership and control of businesses engaged in wholesaling and distribution of paperbacks and periodicals. When I say "Canadian ownership and control," that is a certain content of ownership which would give control.

This bill, Mr. Speaker, follows the recommendation of the royal commission on publishing which I tabled a few moments ago, to which I referred, and the recommendation contained therein.

As I have said to the House in connection with the report, it was the feeling of the Prime Minister that the government should lose no time, in view of the urgency expressed in that report, in protecting this type of business engaged in the distribution of periodicals, paperbacks and things of that kind from takeover by foreign corporations or concerns.

Consequently, with the office of the Attorney General, with legislative counsel, with

the chairman of the royal commission and his counsel, with my own staff, we have been engaged since the middle of last week in careful preparation—albeit the time was short—of this legislation.

I think the hon. members should know—they will note from the bill as they receive it—that we approach it from a licensing approach, so as to have some control and so as to obtain disclosure of personnel and ownership generally.

In order that there should be no undue interference with all those businesses presently carrying on, as of today they will be licensed automatically. New businesses being formed, or businesses being taken over, particularly by foreign corporations, will require, of course, to make application for a licence. In that way we will be able to have some control of takeover or merger or amalgamation of existing business. But as I say, there will be automatic licensing of those presently in business.

It is important to note that the bill will be effective as of today, and in order that we may do everything possible to give notice to business of our intention, insofar as we are able to ascertain those businesses engaged in this type of business in Ontario we are notifying them this afternoon of the introduction of this bill. That will be in addition to whatever the press may publish. We are sending out notice by way of letter from our department, from The Department of Financial and Commercial Affairs, that this legislation has been introduced. I stress again that it was the concern of the Prime Minister that government should lose no time in protecting this area of our society.

Mr. Speaker: Orders of the day.

Clerk of the House: The 19th order, House in committee of supply; Mr. R. D. Rowe in the chair.

ESTIMATES, DEPARTMENT OF FINANCIAL AND COMMERCIAL AFFAIRS (continued)

On vote 604:

Mr. Chairman: The Department of Financial and Commercial Affairs; the member for Windsor-Walkerville. Maybe you might wait for just a moment until the minister is ready?

Mr. B. Newman (Windsor-Walkerville): Thank you very much, Mr. Chairman. The

last day here I had been discussing with the minister the problem of dating appliances and so forth. He made mention that point likely would be taken care of by the federal authorities.

There are several other areas I would like to touch on at this time, Mr. Chairman, and the first is that of the car repair business. I just wondered if the minister has any committees studying the high cost of car repairs; If there is anything the department can do to see that the costs are kept in line, or if not to see that the individual having repairs made to his vehicle is getting value for his dollar and is not, in the vernacular, being taken by some unscrupulous dealer?

Hon. A. A. Wishart (Minister of Financial and Commercial Affairs): I noted the comment, Mr. Chairman, and the suggestion that a committee be set up to study the cost of car repairs. My quick reaction is that while perhaps there is some merit in the suggestion, I think it is recognized there are many, many concerns in all communities competing for the business of repair to motor vehicles. Surely that should be one factor that would keep the cost of repair within reasonable bounds.

I am quite prepared to admit, and I think we have all had some experience, anyone who has a car, that even though you get what would ordinarily be firm estimate, the thing always seems to cost a lot more than the ordinary citizen can comprehend it should.

I do not know, though, that a committee looking into the cost of repair would accomplish what the hon. member seems to fancy it would. He knows, I am sure, a few years ago, I think, Reader's Digest and some other institutions in the United States and in this country carried on studies, investigations into repair of television and other household appliances. I think cars were, to some extent, reviewed in that too.

What came out of those studies, as I recall, was that there was deception, the building up of the job and doing things that did not need to be done. It was not so much a matter of overpricing for the work done.

Of course if you take a television set or a radio, it was a bit of a mystery, with unknown requirements to the ordinary citizen, which is not the case, ordinarily, with the car. The fender is smashed or the connecting rod is broken and you can find out and get an estimate on it.

We have a committee which hon. members know is doing a province-wide study, and it has been on the job now, holding public inquiries as to settlement of claims related to insurance. I think definitely, in the work of that committee, there will be a study as to the cost of repair. I am sure that certain features of what the hon. member has in mind will come out of that committee.

Because definitely the cost of insurance settlement, and the time too, turns to some extent on the amount of the claim—how it is established, how it is paid.

I am not convinced that in addition to that, at this time, we need to establish another committee simply to look at the cost of car repairs because I think, as I say, that there is competition. One should be able to get a reasonably firm estimate. One can ascertain, not like a television set, the item which is damaged or needs replacement. While I recognize the suggestion may have merit, I would like at least to wait until I get the report of my insurance claims settlement committee.

Mr. B. Newman: Thank you very much, Mr. Chairman. I know that the committee is ably chaired by a well-known Windsor resident—

Hon. Mr. Wishart: Right!

Mr. B. Newman: —so it is in good hands, Mr. Chairman.

I wanted to ask of the minister, is he not concerned with the cosmetic eggshell front and rear ends of motor vehicles? Is there something that his department could be doing or recommendations that it should be making to the manufacturer to overcome the abnormal costs for repairs as a result of a three- to a five-mile-an-hour accident?

Hon. Mr. Wishart: That is the programme of the hon. member for Yorkview, too.

Mr. F. Young (Yorkview): Very much so. He has been reading my speeches.

Hon. Mr. Wishart: As I understand it, I think manufacturers are presently studying this and have made some approaches or propositions—I do not know how firm—as to what they are doing in this area.

I am not trying to get out of a responsibility, but I do not know that it lies within the jurisdiction of my department. Perhaps it lies within federal responsibility, as it is the standard of manufacture of an article

coming into this country, or manufactured in this country.

Mr. Young: But it affects the insurance part.

Mr. Wishart: Yes. The settlement of the damage certainly comes within provincial jurisdiction, but the standard which an article must meet—particularly a motor vehicle manufactured in this country or manufactured abroad and brought into this country, lies within the federal authority to determine that it shall meet a certain standard of strength, durability and whatever.

I think perhaps what was The Department of Highways, now Transportation and Communications, has certain statistical studies on accidents and the factors which enter into accidents, one of which would be the strength of certain portions or parts of the vehicles concerned.

But I do not know that I can do much, other than co-operate and urge upon my federal opposite number that he do something to encourage manufacturers, or to insist upon manufacturers building a stronger, more capable vehicle than one which, when it is not up to a certain standard causes personal injury and death.

Mr. B. Newman: This in fact is not under provincial jurisdiction at all, is it Mr. Minister? Is the minister not really concerned that the purchaser of a commodity may be not getting value for his dollar as a result of cosmetic eggshell appendages on parts of the given vehicle?

Hon. Mr. Wishart: Yes, I am concerned. I am concerned about a number of things over which I have no control. But I do not know that the hon. member should stand in his place and say to me, "The minister has got to something about it," other than what I said I would do, and that is contact the departments of government and the governments which are concerned and urge them to do what we feel is necessary to be done.

I think the hon. member is aware that certain things are manufactured with built-in obsolescence. Not everybody wants to buy the car which will stay on the road 12 years, as one manufacturer advertises. Many people like to change the model every year or every two years.

The hon. member is saying: "Build one that will." The certain parts that he is concerned with are the front and the rear,

which he calls "cosmetic eggshell construction." But I cannot order that; this government just does not have jurisdiction to do so.

I can only urge upon the government which has that power that this is public concern and this is what the public wants, and urge the government to implement it by legislation.

Mr. Chairman: The member for Windsor-Walkerville.

Mr. B. Newman: Thank you, Mr. Chairman. I wanted to ask the minister about seatbelt restraints for children. I think at one time I has asked him this question. Apparently there are only two or three that are actually protective devices, yet there are dozens that are on sale in the province. Is there no control over the seat restraints, primarily those for younger children?

If I may simply make mention that the University of Michigan Highway Safety Research Institute found only two out of 37 safety seat and restraining devices could provide a satisfactory degree of child protection, yet many of these are on sale in the Province of Ontario.

Presently, the Ontario Safety League endorses all car safety devices for children that meet a U.S. federal motor vehicle standard. Although there are only two that they endorse, there are dozens for sale. Should not those that do not meet some type of CASA or some given standard be forbidden to be sold?

Hon. Mr. Wishart: Mr. Chairman, I simply say this to the hon. member, this is a matter of which I cannot say a great deal except that I will take his comments. I have noted it. I will follow it up and see just what may be done and what we might do in this area.

I am surprised to find that the Ontario Safety League is recommending equipment which some other similar body in the State of Michigan finds not to be, in a large part, satisfactory. The Ontario Motor League has provided us with information and material and we are studying that matter, but I will follow it up with more intention.

Mr. M. Shulman (High Park): The Ontario Safety League has met with the people in Ontario in the last two weeks.

Mr. B. Newman: Mr. Chairman, I did not say the Ontario Safety League endorses all. I said it endorses those that the U.S. does

endorse and only two out of 37 were found to be of any actual use.

I wanted to ask of the minister at this time if, as a result of problems with television repair, he is recommending that TV repairmen be licensed, so that the individual having a television set repaired knows it is being taken care of by someone who has attained a certain degree of skill and has met certain qualifications.

Hon. Mr. Wishart: No, we have not licensed TV repairmen. That might be something we perhaps could look at. I understand an organization of repair people has been formed or is in the course of formation in Metropolitan Toronto and it is setting its standards, which we are looking at. We are encouraging that and working with them, but we have not approached it on a provincial basis; it might be something that we could well consider doing. I have noted that suggestion also.

Mr. B. Newman: Thank you. I understand the TV repairmen from the association wish to have some type of control of licensing so it would be easier for they themselves to control their own.

May I ask of the minister if flammability standards—

Hon. Mr. Wishart: On that point, generally in groups of artisans—carpenters, TV repairmen, masons, bricklayers—there used to be the old system of an apprenticeship guild and so on. I am aware that certain problems can arise in a community. Say a certain group gets together and says it is the TV repairmen's association of a city or of a town; where does one draw the line? Do we allow them to completely set the standards of who may join or do we lower the standard to the point where all can come in?

Mr. B. Newman: No.

Hon. Mr. Wishart: Then do we freeze anybody else out? I think we get into the whole business of setting a course of apprenticeship training, perhaps of education, and the whole question. Then when we start licensing, we have to have certain criteria by which to issue a licence of the standard to which people must attain. It is just not as simple as saying, "We will issue a licence through an association to its own members." We cannot give them complete autonomy to set their own standards, because they can become a closed profession and perhaps set rules and regulations that would not necessarily serve the public.

Mr. B. Newman: The minister speaks very well on that, but it would be a matter of co-operation with the TV repairmen and some department of government, possibly including Education, so that some type of certification could be made available to them, just as it is in other skilled trades.

Why should the TV repairmen not likewise be considered some type of skilled trade; and we would have journeymen as we have in the automotive trades? I think there is a lot of merit and, if I am not mistaken, the TV people themselves want it. They do not come along and say lower the standards to the point that anyone can get in; they want extremely high standards, because they like to be known as quality craftsmen who do a proper job at all times.

Does the question of the flammability of materials come under consumer protection? We read very often today about the new exotic types of materials that almost explode when exposed to flame; these materials are being used more and more in various types of garments as well as in curtains and drapes in homes. Does this come under this department?

Hon. Mr. Wishart: No, not in the sense of legislation under which we have to govern, or not really in the sense of jurisdiction. It is federal. There is a federal Act, The Hazardous Products Act, which is administered and enforced by the federal government. We have a very full degree of co-operation and rapport and report to the federal department when items come to our attention that are hazardous in any way, whether through construction, flammability or explosiveness, such as the Party Poppers mentioned in the House a few days ago or firecrackers, toys, dolls, and other things that may cut and injure. We report these in considerable numbers, as they come to our attention, to the federal government and their people, under The Hazardous Products Act, investigate immediately and take the necessary action.

We have a committee which is working now on hazardous products. In our discussions at Ottawa on May 25 and 26 we took some time, all of us who were there representing the provinces and the federal government, to discuss this matter. It was generally agreed the federal government is doing quite a thorough job. I think without exception the provinces are co-operating very fully and working with the federal government.

So I think it is best, perhaps, that we do leave it that way and have one jurisdiction doing the enforcement, doing the administration, particularly when there is such a good degree of co-operation.

The one Act that we have, which is perhaps not exactly what the hon. member spoke of—hazardous—is The Upholstered and Stuffed Articles Act. That is the only one of that nature, and that is more concerned, really, with health to the degree that infected or poor material is used—health and quality are involved to that extent. We do administer that to see that new material or material that carries no risk to health of persons—in mattresses or things of that sort, upholstery—that such material is used. If second-hand material is used, the item must be labelled to show that it has been sanitized and sterilized and is of a proper quality.

Mr. B. Newman: I have two other small items. I am glad to note the minister made mention that certain materials, if they are harmful to health, are controlled by his department, or can be controlled. Is the minister aware that asbestos is being used and mixed with wool in the manufacture of clothing? According to US health, the American Public Health Association, asbestos is supposed to have extremely harmful effects and can cause cancer.

Whether garments of this type are actually being manufactured in Canada I cannot say, but the article that I happen to have is an Associated Press report out of New York of June 7. It makes mention that over 200,000 women's winter coats are manufactured containing asbestos, and there is a real health hazard. Asbestos has been linked to high rates of lung cancer in men working with asbestos, and they are concerned that there may be a health hazard with individuals wearing this type of garment. I do not assume the minister has had this problem brought to his attention at all in the province, has he?

Hon. Mr. Wishart: Mr. Chairman, I am not aware of this. I note the article that the hon. member read is from another country. but I think the only people that wear asbestos, as far as I am aware—any type of asbestos clothing—would be firemen perhaps. I think they do have jackets which are lined or impregnated with some type of asbestos or asbestos fibre.

I can understand that miners working in asbestos mines might very well develop lung disease in the dust of this material as well as from other minerals. But I would think

that, even if the asbestos were woven into a fabric as a fibre mixed with other fabric, it probably would not have the same effect at all. Unless medical science could prove the contact of asbestos against the skin was harmful, I would not think it would be. But, in any event, it has not come to my attention. I have noted what the hon. member had to say, though.

Mr. B. Newman: I have passed the press clipping over to the minister. This is apparently a newly manufactured item. It is just being newly manufactured in the United States and it may be manufactured in Canada. I do not know.

As far as safety helmets for motorcyclists go, there are different standards for these. I have a letter here from an individual back in my own home town, Mrs. Frances Rice, who claims our standards are not high enough.

Hon. Mr. Wishart: I appreciate the interest of the hon. member—and I notice the member for Yorkview perking up his ears. It seems to me that I have listened on several previous occasions in this House, to discussions with the Minister of The Department of Transport, now combined with Highways to be Transportation and Communications. But it seemed to me that the standards of helmets and equipment of that nature was a matter which was clearly recognized as being in The Department of Transport, and in fact legislation was brought in by that department.

I have no objection to discussing it here, but perhaps it is a little irrelevant, Mr. Chairman, to my estimates.

Mr. B. Newman: The minister could have stopped me earlier if he had mentioned this. I would not have brought it up at all. I just thought that for consumer protection, that it might have some merit in having it discussed here.

The only other item that I wanted to mention, Mr. Chairman, concerns magazine prizes for subscriptions. Can the minister assure us the prizes are all given as advertised?

I happen to have one here and I have never, at any time, heard about anyone receiving an award from them. And that is from the Publishers' Clearing House, where they promise \$100,000 in prizes and an extra "instant winner" prize. This comes out of Toronto, or is mailed out of Toronto; they use an address: "PO Box 1140, Adelaide Street PO, Toronto 1, Ontario."

Are these actually legitimate or not, Mr. Minister?

Hon. Mr. Wishart: I do not think there is anything wrong—to pass an off-hand opinion—in the advertisement, if it were established that the prizes—that the performance was given, and that the payment, or the prize, was not given in response or in consideration; then of course you would have a case of deceit or misrepresentation, or perhaps fraud.

We have, the the hon. member will have noted a great many complaints about magazine subscriptions. I do not know as they relate particularly to failure to get a prize, but on page 9 of the report of the department which I have tabled, in 1970. There were 511 complaints which were brought to our attention for investigation. Those, I think, were generally complaints that the companies had not come through with the delivery of the magazine or the publication.

The only way we could find something wrong with what the hon. member discusses now would be to investigate—have some speculation and say: "Prove to us, or show to us, what content or what amount of material you have sent out in the way of prizes. How are you performing?"

Unless we receive a complaint, I do not see anything wrong with that. I think if an individual who entered one of these subscription obtaining contests had failed to get paid, he would probably bring the thing to our attention without too much delay.

I am informed that our department, the consumer protection bureau, has an active file on this, but unless they see fraud, about all they could do would be to investigate it. If they find fraud, of course, the matter is followed through.

I do not think we have many complaints in the area of failure to give prizes. Most of them are, I think, with respect to failure to deliver the publication.

Mr. B. Newman: Thank you very much.

Mr. Chairman: The member for High Park.

Mr. Shulman: I have one brief matter under this vote, Mr. Speaker. I want some protection for the more affluent under this vote. It is for people who have credit cards from airlines.

In order to get a credit card from a number of the airlines you must make a deposit. With American Airlines it is \$400. The air-

lines have a policy that they pay interest on this deposit if you are an American citizen, but if you are a Canadian citizen and happen to live in Ontario, they do not give interest.

We wrote to American Airlines complaining about this, and they wrote back a lovely letter:

Thank you for your letter of May 2, 1971. I am sorry, interest on deposits is not extended to Canadian accounts. This is not an American Airlines ruling, but that of the Civil Aeronautics Board in the United States.

Now these people are doing business here in Ontario. Surely we must have some jurisdiction over them.

It seems like a gross injustice that under exactly the same circumstances, if you happen to be an American citizen you receive interest and if you are a Canadian you do not. What can we do about this?

Mr. G. Ben (Humber): Fly Canadian!

Hon. Mr. Wishart: The only thing we can do is sell them an Air Canada card and refuse to pay for it.

No, but seriously, I was not aware of that. I am not sure again of what interest involves—the question of interest between countries may be something that the federal government should insist upon.

The whole field of communications is federal—certainly the whole field of international communications, including the arrangements made to allow American Airlines to fly in here, is something that I could not do anything about. I cannot raise a finger except to bring this to the attention of the federal people and request that we get a fair shake on that thing.

Mr. Shulman: Would you do that?

Hon. Mr. Wishart: I will.

Mr. Shulman: Thank you.

Mr. Chairman: The member for Humber.

Mr. Ben: Yes, Mr. Chairman. I have a number of questions to ask the minister and I would appreciate very much if he would try to be concise in answering these questions. He will get his estimates through much sooner. Some of them can be answered in one or two sentences.

Mr. J. Renwick (Riverdale): Match the brevity in the questions then!

Hon. Mr. Wishart: Mr. Chairman, I will try to be nice and answer the hon. member; I think I always try to be reasonable at least. But the other day when we were doing these estimates, he castigated me for taking his time when I was answering his question. Because I got up and interjected answers he said: "I am not going to give up any more time. The minister has taken up a lot of my time." So I sat down and subsided.

Mr. Ben: This is an example. It appears you will never take a word where you can sneak in a paragraph.

Mr. J. Renwick: Make your reply the same length as his question.

Mr. Ben: Mr. Chairman, would the minister please tell me the name of the individual who has replaced Walter Kucherepa as the registrar of the real estate and business brokers? What was his position prior to assuming this function, and what is his annual remuneration?

Hon. Mr. Wishart: The name of the gentleman who replaced him is John Cox.

Mr. Ben: Cott or—

Hon. Mr. Wishart: C-O-X.

Mr. Ben: C-O-X?

Hon. Mr. Wishart: And he was chief inspector prior to his appointment.

Mr. Ben: And what remuneration is he receiving?

Hon. Mr. Wishart: I do not know at the moment. I will get it for the hon. member.

Mr. Ben: And who is the person who was appointed the registrar pursuant to section 21 of The Used Car Dealers Act; when did he take office and what was his previous occupation or calling and what is his present remuneration?

Hon. Mr. Wishart: The name is Reginald McCormick. He was appointed in 1964. Prior to that, he was a car dealer. I do not know his remuneration at the moment, but I can get it very quickly.

Mr. Ben: Mr. Chairman—

Hon. Mr. Wishart: I thought it was shown in some of our budgetary papers.

Mr. Ben: In the public accounts, under the minister's department, there is nothing for 1969 and 1970—rather for the fiscal year end-

ing March 31, 1969. I cannot find The Used Car Dealers Act noted there.

Hon. Mr. Wishart: I will get it for the hon. member.

Mr. Ben: May I ask why there is no mention of it under The Department of Financial and Commercial Affairs?

Hon. Mr. Wishart: I will have the remuneration for those persons about whom the hon. member inquires very quickly.

Mr. Ben: Mr. Chairman, through you to the minister: The Real Estate and Business Brokers Act, 1968 and 1969, and The Used Car Dealers Act, require posting of surety bonds—\$5,000 for dealers under The Real Estate and Business Brokers Act, and \$1,000 for salesmen. This is so, is it not? Is it so?

Hon. Mr. Wishart: Yes.

Mr. Ben: Would the minister tell me the number of bonds forfeited for the year 1970 under The Real Estate and Business Brokers Act, and how many of them were dealer bonds of \$5,000 and how many of them were the salesmen's bonds?

Hon. Mr. Wishart: I will have that information, Mr. Chairman, in a few moments. I have not got it right at my fingertips.

Mr. Ben: Then can the minister tell me what was the dollar amount paid from the forfeited amounts in the years 1968, 1969 and 1970? I have the book here before me, but it does not give that information—unless I could not find it. I might say the report is rather terse.

Mr. Chairman, through you to the minister, would he give me the same information with reference to The Used Car Dealers Act?

Hon. Mr. Wishart: That is in the report, on page 10.

Mr. Ben: Page 10? It shows how many complaints were issued under complaints received and investigated—six bonds forfeited by dealers, and 14 this year—but it does not say what the value of these were.

Hon. Mr. Wishart: Oh.

Mr. Ben: In other words, was the whole bond forfeited or part of it? How much?

Hon. Mr. Wishart: I think if a bond is forfeited, there might be a repayment—there might be a balance left over after claims are paid.

Mr. Ben: This is what I should like to know—how much the treasury benefited.

Hon. Mr. Wishart: I will try and get that very shortly. There is certainly no objection to getting that information, but I would point that under The Used Car Dealers Act we no longer require salesmen to be bonded. The onus is on the dealer; he must satisfy himself, select his own salesmen and take that risk as his; so that if something goes wrong it is the dealer—

Mr. Ben: Mr. Chairman, that is my next question of the minister. I am appreciative of this. The minister will note, when I asked whether or not it was a fact that a dealer has to post a \$5,000 bond, that I mentioned under The Real Estate and Business Brokers Act the salesman only has to post a \$1,000 bond. My question is this: Back in, in 1968, I think it was, the minister's predecessor (Mr. Rowntree) promised a new bonding system for used car dealers, and he agreed the bond was not worth a damn—and "worth a damn" are his words; by the way, I should point out that Hansard spelled it d-a-m-n. I think what the minister meant was d-a-m, like the tinker's dam.

And before a bonding company had to pay off or a bond was forfeited, a finding of fraud had to be found by the court, which made it almost impossible for the bond ever to be brought into play.

He went on to say a whole review of the bonding system was being carried out.

The question naturally arises, Mr. Chairman: Surely since these Acts are almost verbatim except for some small changes, if it is ridiculous to bond a salesman under The Used Car Dealers Act, should it not be equally ridiculous under The Real Estate and Business Brokers Act? If it requires under The Used Car Dealers Act that there must first be a finding of the court of some kind of malfeasance before the bond will be forfeited, surely this must also apply under The Real Estate and Business Brokers Act.

Why is it that the minister compels salesmen to post a \$1,000 bond under one Act and not under the other Act? First, when the minister is answering the question, would he agree that the situation is similar?

Hon. Mr. Wishart: No, I do not agree. There may be some similarity, but dealing with real estate, which is one type of property, fixed and immovable and of very great value in many cases, is one thing. Dealing

with the sale of a vehicle, a movable item and, particularly in used cars, sometime of very small value, is another matter. We felt that in that lesser field—and I think the hon. members would agree with that assessment—of the used car dealer, that you could put the onus on the dealer without any great burden; that if he is going to send people out selling cars, he could accept the responsibility for seeing that he had proper people employed there.

Incidentally, in going back for a moment, I understand that the in real estate dealer situation, where the member was asking what bonds were forfeited, while I have not got exactly yet the number of bonds forfeited, I am told that there have been no payouts. There were no claims in the real estate and business brokers' area where bonds were forfeited, nor was there any requirement for paying. I think I should point out, of course, that payment is made on a claim that is court-proven. I am told there has been no payout in the real estate area on bonds.

Mr. Ben: Well with that, may I interrupt please? Would that perhaps prove that the minister's predecessor was perhaps correct when he said that the bonds were not worth a damn if, before a bond was forfeited, a finding had to be made by the court? Here we had 2,661 complaints last year and 2,497 the year before, yet the minister is telling us that out of those 2,400 complaints there was not one bond forfeited. Does this not arouse his suspicions that perhaps all is not right?

Hon. Mr. Wishart: Well I was about to continue when the member asked to speak, that we have a committee studying this whole matter of bonding. Perhaps it should have been able to give something further than the fact that it is presently working on the matter, but there is a committee studying the whole matter of bonding. The member for Yorkview the other day was talking about a rug salesman and a bond. What I should have perhaps told him at the time was that one of the things we are considering in the bond situation is using a part of the bond to pay claims promptly, rather than retaining the whole proceeds of the bonds or the whole amount of the bond for a period of two years, or whatever the period may be, until all claims have come in during that time. We might settle promptly, for instance, with the elderly couple which the member for Yorkview mentioned and still use perhaps 50 per cent of the bond from our knowledge that perhaps there will not be many more claims

and that there will be sufficient left to meet the other claims.

That is one of the features that this committee is studying, and I think that the hon. member will be content to leave it with me. There is perhaps some merit in what he says and, while I do not know in what context the member for York West (Mr. Rowntree) was speaking when he said a bond was not worth a damn, I would have to look at that.

We do feel there is some considerable improvement to be made in the whole bonding situation. The fact we have knocked out the requirement for the used car salesman to have a bond may be an argument why perhaps we can move in this direction in real estate, although the two situations are somewhat different.

Mr. Ben: Maybe, you have been spoiled by being a minister. The minister has not bought an automobile lately or he would appreciate the cost of those—

Hon. Mr. Wishart: I bought one—

Mr. Ben: —contraptions or contrivances.

Hon. Mr. Wishart: I bought one just a couple of months ago.

Mr. Ben: Then the minister should not denigrate their value. They may be mobile and they may not be immovable like real estate, but by George some of the prices you pay for these cars you could buy yourself accommodation perhaps in Sault Ste. Marie or elsewhere!

I would point out to the minister that at the same time the member for York West made the statement I have already quoted, he also said that a whole review of the bonding system was carried out—that was passed—and that the new bonds would not have those features in them. The minister will find that in Hansard in 1968, which means that at that time there was already a review of this bonding system. I presume it was for that reason that in The Used Car Dealers Act a salesman is not obliged to be bonded.

Hon. Mr. Wishart: The hon. member used a couple of words that I did not get—new bonds with what features?

Mr. Ben: New bonds would not have those features in them. That was the phrase he used, but you have to go to court and the court has to find that the man was guilty,

that the salesman was guilty, before they would forfeit the bond.

The reason I raised this, Mr. Chairman, is I am not so sure that I am content that salesmen in the used car industry should not be bonded. To me this is imposing a precarious liability on the dealer. It is fine for the minister to say, a dealer ought to take care of the type of salesmen he should hire, but then so do those who come under The Real Estate and Business Brokers Act, especially since, according to the minister, there is a greater burden; there is greater loss to be suffered and greater value involved. So one should think that, if you are going to license or bond salesmen, it should be in the used car industry where they do not have to wait a month or two months or three months for their commission, that is until the property is sold. They receive it almost immediately and they can skip away, leave the employer and go some place else.

I would ask the minister to give consideration to that particular aspect of it, because surely it is not a matter of natural justice that a dealer who exercises all due prudence and caution in hiring a salesman should be precariously liable for that man's torts.

Hon. Mr. Wishart: I think if the hon. member will permit, I am not going to go into the difference—

Mr. Ben: Other than master-servant relationship.

Hon. Mr. Wishart: Yes. I am not going to go into the difference between used car and real estate at the moment, but almost invariably every employer who has a business of any size and employs a treasurer or even a bookkeeper, who handles the petty cash or the funds in the office, bonds that employee. You do not expect the employee to carry that bond. It is done as a matter of responsibility and obligation on the part of the employer. I think the same principle applies here to a large extent.

Mr. Ben: Just remember—if it is a dealer who is paying for the bonding of the employee, he is taking it out on the consumer. It is the consumer who is going to be paying.

Now Mr. Minister—

Hon. Mr. Wishart: Mr. Chairman, I wonder if the hon. member will permit me now—I can give him those figures he asked for a moment ago. For Mr. Cox, his present

annual salary is \$12,197; that can go, in the normal course of events with—what is the word—implements?

Mr. Ben: Increments!

Hon. Mr. Wishart: You are getting me a little confused—with increments to \$14,714.

Mr. J. R. Breithaupt (Kitchener): That is more than five per cent.

Hon. Mr. Wishart: That would be over a period of time, not necessarily in one jump.

Mr. McCormick's present salary is \$14,714 and that is the top to which his salary can go.

Mr. Ben: Yes. On this point, would you perhaps inquire of your advisors where, in the public accounts of 1969, are shown matters pertaining to the operations of the used car dealers' department for that particular year?

Hon. Mr. Wishart: My information is that those salaries are below the level of salaries which are reported in the public accounts. The level is \$15,000.

Mr. Ben: It is \$15,000? The registrar is not shown; is that not something? I guess he is not as important as perhaps he may lead himself to believe. Thank you.

Now Mr. Minister, the next few points are technical. The Department of Transportation and Communications issues an A licence which states that the holder thereof is entitled among other things to deal in motor vehicles and operate a used car lot. How is this reconciled with the requirement for registration under The Used Car Dealers Act?

Hon. Mr. Wishart: As I say, the A licence which The Department of Transport—now Transportation and Communications—used to issue covers the lot, the area, the site. We, in our department, licence the dealer.

Mr. Ben: I believe that the A licence entitles the holder to deal in motor vehicles and operate a used car lot. I cannot understand how the minister can say he is operating a used car lot unless he is, in essence, selling used vehicles because he is entitled to deal in motor vehicles.

Further, so the minister can answer two questions at once, under The Used Car Dealers Act, 1968-1969, section 3, subsection 3, states:

A registered used car dealer shall not carry on business in a name other than the name in which it is registered, or invite the public to deal at a place other than that authorized by the registration.

This is a new section and I think it could cause confusion because The Department of Transportation and Communications were forced to licence the premises from which a dealer operates by the issuance of the A licence under The Highway Traffic Act.

Furthermore, this legislation gives to the municipality authority to zone land use. The question arises does the word, "authorized" in this section mean that if a person has an A licence and there is no local bylaw prohibiting him from carrying on business at a given location, his premises are, in fact, unauthorized?

Hon. Mr. Wishart: The hon. member is quite right when he said these are technical questions. He is getting too technical for me. I can hardly follow him. I think I would have to take that question as notice and get him a further and fuller reply than I can give at the moment.

Mr. Ben: Mr. Minister, under section 5 (1 a) of The Used Car Dealers Act:

An applicant is entitled to registration or renewal of registration except where (a) his financial responsibility or record of past conduct is such that it would not be in the public interest for the registration of a renewal to be granted.

The question arises—what constitutes financial responsibility and what record of past conduct would preclude registration and renewal thereof.

Before the minister answers this, may I ask him, in keeping these records that he has on page 10—that is, "complaints under The Used Car Dealers Act and under The Real Estate and Business Brokers Act"—is there any classification used to categorize complaints, such as: "unfounded, warranted, malicious," and so forth?

The question arises, Mr. Minister, you had 2,400 complaints under The Real Estate and Business Brokers Act last year; and you say no bonds were forfeited. Last year, under The Used Car Dealers Act section you had 2,081 complaints; and there were 14 dealer bonds and 22 salesmen's bonds forfeited. There were only 11 prosecutions of dealers and one of salesmen.

So, does the department break these down into categories, as I said, such as unfounded,

unwarranted, or warranted, malicious, and so forth?

Hon. Mr. Wishart: Mr. Chairman, yes. As to the first part of the question, what criteria does the member use as to financial responsibility?

Generally you would obtain evidence. If there were no judgements obtained, no judgements outstanding, no criminal record, and perhaps some evidence of general reliability for financial matters in the community where the applicant resided, then I am quite satisfied he would present a recommendation or references which would establish, as most people would require, in informants, or other ways, that type of background. Evidence would show if he was worthy of trust and confidence.

For the second part of the question, as to categorizing complaints, I think it is certain that we can get that and I will get it. I do not know if we break it down automatically into classifications or categories; some complaints are bound to be frivolous, some are unfounded, some are simply a lack of having legal advice or counsel, or entering into a bad deal with wide-open eyes but perhaps with some ignorance as to what the person was getting into, or perhaps carelessness as to making any inquiry or really reading the document. This is the type of thing that comes in complaints.

Then there are those where there has been misinformation, or I was going to say there are those which do contain fraud and on those prosecutions follow. But deception, a wrongful holding out of things which justify a complaint, these are all investigated.

I am sure the hon. member has gathered, as a member, from constituents' complaints that with some he found there was no way he could assist them because it was partly the complainant's fault, or perhaps wholly the complainant's carelessness in getting into a situation, or maybe it was a contract that was just regretted after it was entered into.

All these sort of things come in. I think perhaps we do have a category for them, if I can get them.

Mr. Ben: I would appreciate very much getting it, Mr. Minister, because if I was inclined to wear a monocle and I saw the figure of complaints at 2,600 and no prosecutions or no bonds being forfeit, I should rather put it to my eye and take another look at it. Either the real estate and business brokers are not the miscreants that people have made them out to be, or your depart-

ment is not prosecuting them, or you are not putting prosecutions in the record here.

You put the number of prosecutions in the used car dealer section, but there is nothing in the statistics here to show how many prosecutions you had under The Real Estate and Business Brokers Act. Were there any? You have no figures then?

Hon. Mr. Wishart: Not at the moment.

Mr. Ben: All right. How many of the prosecutions of the dealers and salesmen under The Used Car Dealers Act were dismissed? Has the minister got that?

Hon. Mr. Wishart: I have that. There are 12 pending under real estate, which I did not answer a moment ago, and I do not have the figure for the used car dealers but I will get it for you.

Mr. Ben: Okay. Now, Mr. Minister, section 52 of The Used Car Dealers Act states that a registration is subject to such terms and conditions as are consented to by the applicant, imposed by the tribunal or prescribed by the regulations.

The question is this: how does a term or condition differ from a regulation; and are we to presume in the case of consent by the applicant that terms and conditions attendant to registration are voluntary?

By way of an example—in the early part of the administration of The Used Car Dealers Act, that is to say 1965 and 1966, there were certain registrations granted to persons who preferred to call themselves "wholesale dealers." They call them wholesalers. These persons were not required to establish themselves with facilities generally described as having an office, lot and sign. They were permitted waiver of office, lot and sign requirements upon filing an affidavit that they would confine their dealings between themselves and other registered dealers and not deal with the public. There is still such a group; they still do this.

Apparently this type of registration is no longer permitted, and there are persons who wish to operate as wholesale dealers only, but in order to do so they have been forced into the added expense of renting facilities. If an applicant or registrant under The Used Car Dealers Act wishes to act as a wholesale dealer could he not consent to confine his dealings to registered dealers only in return for waiver of the generally accepted office lot and sign requirements?

Do you want me to repeat it?

Hon. Mr. Wishart: No. I do not think that would help.

Mr. J. Renwick: Do not take up too much time in your reply.

Hon. Mr. Wishart: I was going to say I will get that reply. But I have the reply to the previous question. I am catching up slowly. I do not move quite as quickly as the member asks the questions.

Under The Used Car Dealers Act, there were 38 convictions obtained; there was one acquittal out of those prosecutions; there are—

Mr. Ben: What year is this? The Used Car or Business Brokers Act?

Hon. Mr. Wishart: Used Car. Thirty-eight convictions were obtained.

Mr. Ben: In 1970?

Hon. Mr. Wishart: Yes. One acquittal—

Mr. Ben: You have 11 prosecutions for dealers and one for salesmen.

Hon. Mr. Wishart: Oh, I am sorry. I am told that is the total since the branch was established. Thirty-eight convictions, one acquittal; there are four cases now pending. That is 53 altogether that have been taken to court.

Mr. Ben: That is since—

Hon. Mr. Wishart: Two of the convictions were appealed successfully.

Mr. Ben: —since 1953, or 1964 rather?

Hon. Mr. Wishart: No, 1965.

Mr. Ben: It is 1965? An average of about 10 per year or nine a year. Yes, go ahead.

Hon. Mr. Wishart: As for the last part of the question the hon. member asked, I will note it and I will get an answer.

Mr. Ben: All right. Fine. Now, Mr. Minister, section 20 of The Used Car Dealers Act, 1968-1969, states:

An order of the tribunal refusing to renew or suspend or revoke a registration will take effect immediately, but the tribunal may grant a stay until the order becomes final.

This is the section that provides that you can appeal. Should not the word "may" be changed to "shall" grant a stay in the event of an appeal?

Hon. Mr. Wishart: I would think that "may" would generally perhaps be read as "shall," but I think it should remain "may" because the tribunal, I think, should have a discussion in the circumstances of the particular case as to whether it would exercise a discretion or not. If the word was "shall" it would have no discretion whatever. I would it should have.

That is just a matter of opinion and I am not going to enter into an argument with the hon. member. If he wants to express a view otherwise, I would certainly be glad to hear it. I would be glad to consider it, but I do not think I want to argue with him today.

Mr. Ben: No, I do not want to argue. I just wanted to point out that I was asking, should the word not read "shall" where the applicant or registrant makes an appeal for a judicial review decision, only under those circumstances?

Hon. Mr. Wishart: No, I think the discretion should still be there.

Mr. Ben: All right. Section 22 of the Act deals with investigation of complaints. Upon inspection, under this section, is the inspector limited to documents pertaining to the complaint? Section 23 of The Used Car Dealers Act refers to conforming with regulations relating to registration and maintenance of trust accounts by registrants and possibility of unregistered persons dealing in or selling motor vehicles. Section 24 deals with powers of inspection in relation to sections 22 and 23. On an inspection under section 23, is an inspector limited to ascertaining whether in fact the person is or is not registered under the statute and maintaining a trust account as required? If I may read the section to him:

The registrar or any person designated by him in writing may, at any reasonable time, enter upon the business premises of the registrant to make an inspection to ensure the provisions of this Act and the regulations relating to registration and the maintenance of trust accounts are being complied with.

Now, does that section—what does it refer to? An investigation to determine whether or not the trust account regulations are being complied with, or does it mean all the regulations?

Hon. Mr. Wishart: I would think that the language there, which the hon. member read,

would go wider than just the trust account. I think primarily that would be one of his major considerations—as to whether that trust account was being maintained and maintained in the way in which it is called for. I think the language which the hon. member read and which, I am sure he is quite capable of interpreting, is pretty wide. It says: “The purposes and requirements of this Act,” does it not?

Mr. Ben: Well, my reason for asking that—that was a little sneaky of me, because my reason for asking this—

Hon. Mr. Wishart: The registrar will have to be the judge.

Mr. Ben: —is with reference to section 25 (1), which states:

Where, upon a statement made under oath, it appears probable to the director that any person has (a) contravened any of the provisions of this Act or the regulations; or (b) committed an offence under the Criminal Code (Canada) or under the law of any jurisdiction that is relevant to his fitness for registration under this Act, the director may, by order, appoint one or more persons to make an investigation to ascertain whether such a contravention of the Act or regulations or the commission of such an offence has occurred, and the person appointed shall report the result of his investigation to the director.

My reason for asking this is this. If, as you say, section 23 may be interpreted wider than merely pertaining to the keeping of trust accounts, and a person under that Act, the registrar or any person acting on his order, may go in and carry out a complete investigation, why would you have section 25 in there? Section 25 would imply that you can only carry out a complete investigation into the affairs of the registrant if there has been a statement made under oath which would make it appear probable to the director that some person has contravened the Act.

Hon. Mr. Wishart: A contravention of this Act?

Mr. Ben: Yes.

Hon. Mr. Wishart: Well, that is pretty wide is it not?

Mr. Ben: Perhaps I have not made this as clear as I should. The minister has indicated to me that in his opinion, section 23 must be interpreted as widely as possible; that under section 23 the registrar or any person desig-

nated by him in writing may at any reasonable time enter the premises of the registrant and demand the production of his books of account and so on.

My opinion would be that this restricts him to simply checking to determine whether a person is, in fact, licensed; and second, that he is maintaining trust accounts in accordance with the provisions of the Act and the regulations. The minister expresses the opinion that it goes wider than that.

My next question to him is if section 23 gives wide powers, why the need for section 25? And if section 25 restricts the powers of section 23, is it not possible that the registrar could, by exceeding the powers in section 23, actually carry out the powers he is given in section 25, where a complaint has been made under oath?

Hon. Mr. Wishart: Mr. Chairman, since I spoke to the hon. member a moment ago, I have been able to get the relevant section before me. I have found it a little difficult to follow the hon. member as he reads quite rapidly. Section 23 I think is clear:

The registrar or any person designated by him in writing may, at any reasonable time, enter upon the business premises of the registrant to make an inspection, to ensure that the provisions of this Act and the regulations relating to registration and the maintenance of trust accounts are being complied with.

I think those are subjunctive expressions—“to make an inspection, to ensure that the provisions of this Act.”

Mr. Ben: Period. Or the provisions of this Act relating to registration and maintenance of trust accounts.

Hon. Mr. Wishart: No, there is no period. To ensure that the provisions of this Act and the regulations relating to registration and the maintenance of trust accounts are being complied with.

I think in practice we have in the department limited it pretty much to the inspection of trust accounts. I think the language is quite clear. And in my view it is quite subjunctive.

Mr. Ben: Mr. Minister, my reason for raising this is because I believe it is restrictive. But I do not want to get into an argument, neither does the minister. I am just expressing my opinion that I believe it to be restricted to trust accounts. If it is not restricted to trust accounts, then section 25 becomes redundant. But as long as section 25 is there,

the courts must interpret it as qualifying section 23 and making it restrictive—that you ought to discuss the matter with legislative counsel and your own solicitors to clear it up and give us an answer as to what it means.

Hon. Mr. Wishart: I think in the light of the very pertinent comments which the hon. member has made I shall have occasion to do just what he suggests.

Mr. Ben: Thank you very much, Mr. Minister. Now, I am getting toward the end. How many are on staff in the administration of The Used Car Dealers Act? Of that staff how many are inspectors?

Hon. Mr. Wishart: Fourteen inspectors, Mr. Chairman.

Mr. Ben: How many of them are in the Metropolitan Toronto area?

Hon. Mr. Wishart: Seven.

Mr. Ben: Thank you. Mr. Chairman, what is considered a reasonable time to process an application for registration? What is a reasonable time to process a renewal of registration?

Hon. Mr. Wishart: On the used car dealers?

Mr. Ben: On the used car dealers.

Hon. Mr. Wishart: I am told that the time generally runs anywhere from three days to a week for both registration and for renewal of registration. But that recently under the central registration programme as proposed it is taking a bit longer, temporarily.

Mr. Ben: Temporarily—how much is a bit longer?

Hon. Mr. Wishart: Up to six weeks.

Mr. Ben: From three days to a week to six weeks?

Hon. Mr. Wishart: That is on account of some congestion as I say on this new programme. But the ordinary time is three days to a week.

Mr. Ben: Mr. Minister, is there any possibility of giving the applicant a temporary permit, temporary registration, while the matter itself is pending for those six weeks?

Hon. Mr. Wishart: Where there is an indication of that kind and there is merit and real urgency, there is no difficulty in the applicant getting the opportunity to carry on.

Mr. Ben: I take it then that no dealer has had to suspend his business because permits are being processed?

Hon. Mr. Wishart: No.

Mr. Ben: That is gratifying. Mr. Minister, through you, Mr. Chairman, how many hearings were held by the registrar in the years 1968, 1969 and 1970 and how many decisions of the registrar were appealed in the same years, and of the appeals how many of the decisions of the registrar were overruled? I am dealing with The Used Car Dealers Act. It is not in here in your report, Mr. Minister. I looked.

Hon. Mr. Wishart: In the period 1965 to 1971, February of this year, there were 601 hearings. Of those hearings registrations denied were 102; registrations cancelled were 44; registrations suspended were 75; conditional probation, 302; reprimands, 39; cautions, 16; no action taken, 22; and pending, there is one. If the hon. member would add those figures, he would find they amount to the 601 hearings during that period of time.

Mr. Ben: Of the 302, Mr. Minister, can your advisers inform you how many of those conditional permits were subsequently made permanent? Or whatever the phrase used may be.

Hon. Mr. Wishart: I do not think I have any statistics. I would assume those that were conditional were for a period of time and if they went on they would become permanent. There were 302 conditional probations. I cannot tell from the statistics but I would think that most of those would become permanent, probably on the basis that they had to meet certain conditions and they probably did so.

Mr. Ben: When the minister gets those figures, perhaps he could put the answers in a letter to me?

Hon. Mr. Wishart: I will see what I can do.

Mr. Ben: Thank you. Under section 29 of the Act, when the registrar may with the approval of the director require a financial statement, under what circumstances would the directors approve the demand for a financial statement, and would such approval be required in writing? That again is under The Used Car Dealers Act.

Hon. Mr. Wishart: I think I will take that, to add to and reply.

Mr. Ben: Okay. Under section 33(1)(b): Every person who knowingly fails to comply with any order, direction or other requirement made under this Act—that is the phrase—should this wording not read “lawful order” and “lawful requirement”—

Hon. Mr. Wishart: No.

Mr. Ben: —since it is possible that a requirement or order for which no authority is found in the statute may be made and the registrant could be penalized for the fact of disobeying an order or requirement, whether it was lawful under the Act or statute or not. Is it not a fact—the minister is a lawyer—under The Criminal Code, he must do something “unlawfully.” That is the key word that the accused did “unlawfully” or wilfully so and so. Should this not read the same way?

Hon. Mr. Wishart: No, Mr. Chairman, that is just—I was going to use an expression which I will not use. You do not put “lawful” in front of everything. Even The Criminal Code says, “Everyone who does—”

Mr. Ben: “They did unlawfully such—”

Hon. Mr. Wishart: “—such and such is guilty of an offence.” They do not say that anyone who “unlawfully” does something; they say if you do it. If you are writing an Act, you say these are the things that must be done; these are the requirements. Then everyone who contravenes an order or a provision of this Act—you do not say “a lawful provision of this Act,” because presumably it is lawful, because it is in the Act. It is legislation; it is all law.

Mr. Ben: I think the hon. minister has become so engrossed in this department, he may have forgotten some of the facts that he picked up in his previous portfolio. But I think if he will examine all the summonses, he will find that they read that the accused on such and such a date did “unlawfully”; in the case that they held that those words “unlawfully” are essential to the validity of the charge.

Hon. Mr. Wishart: No.

Mr. Ben: Well, all right. Look into it again.

Hon. Mr. Wishart: This was all in my department anyway previously, so we can both do that together.

Mr. Ben: Okay. Are there any stipulated number of convictions a dealer may have under section 49(1) of The Highway Traffic Act, relating to certificates of mechanical fitness, before his registration is in jeopardy? For the uninitiated here, section 49(1) is the section which requires that a dealer in used cars give a certificate of mechanical fitness to a purchaser; and in a subsequent section under that which says makes it an offence to give a false certificate.

Now, is there any rule of thumb or number of convictions, or do you cancel registration on one conviction?

Hon. Mr. Wishart: I will see what I can get in a moment.

Mr. Ben: Okay.

Mr. J. E. Stokes (Thunder Bay): Finished George?

Mr. Ben: Two more; I think I have two more questions. Mr. Minister, in the regulations, section 16 of The Used Car Dealers Act, stipulates that if any portion of the contract is financed, section 21 of The Consumers Protection Act, 1966, as amended must be complied with. What constitutes “financed” within the context of this regulation?

Oh, I am sorry; you did not hear. I will repeat it.

In the regulations, section 16 of The Used Car Dealers Act, it stipulates that if any portion of the contract is financed, section 21 of The Consumers Protection Act, 1966, as amended must be complied with. The question is, what constitutes “financed”—and I put the word “financed” in quotation marks—within the context of this regulation?

Hon. Mr. Wishart: I do not know offhand, Mr. Chairman; I would have to take the Act, look at it, and give it a little considered study in order to give a proper answer. At the moment, quite frankly, I do not see the difficulty which the hon. member seems to find in the language. I think it is clear. But if he is having difficulty with it, I would want to study it and come up with considered answer so that I can satisfy him and be certain that what I am saying is said in definite, clear, legal language as an opinion to him; and for that reason I do not want to answer offhand.

Mr. Ben: Well, Mr. Minister, I in no way chastise you for so doing. I stated that these were technical questions. Under the rules of the House I can either ask you when your

estimates come up in this particular department or I must put them to you day by day, question by question, during the question period before the orders of the day, and surely, you would not want me to do that.

Hon. Mr. Wishart: No. Please let me make clear—I am not objecting in any way; I am just saying that in order to give you a proper answer, I must have some time.

Mr. Ben: Very well then, I am not pressing you for answers today. I am sorry that this is the only opportunity I have to throw all these questions at you.

Mr. Minister, again under The Used Car Dealers Act. Section 30 of the Act relates to advertising where the registrar is given wide powers to determine whether or not a dealer's advertising is false, misleading or deceptive, and he may order that such advertising cease immediately. The questions are: what are the criteria the registrar of The Used Car Dealers Act uses to arrive at a cease-and-desist order; and, should there not be an advisory board to determine some ground rules for advertising?

Hon. Mr. Wishart: Perhaps the hon. member is right. I think what I am going to do, Mr. Chairman is—particularly with this afternoon's debate—look very carefully at Hansard when it appears to get the hon. member's comments and deal with them seriatim fully and completely and give him those answers.

Mr. Ben: Very well then, Mr. Minister, without asking you for answers now, I am going to put two more questions to you, is that agreeable?

Hon. Mr. Wishart: All right.

Mr. Ben: The minister made reference sometime last week—I cannot remember whether it was Tuesday or Thursday—to The Bills of Sale Act in connection with warranties. You recall I asked you—

Hon. Mr. Wishart: Yes, right.

Mr. Ben: He is no doubt aware that in the business of selling motor vehicles, used cars are often sold as is.

Hon. Mr. Wishart: Right!

Mr. Ben: That is without a guarantee of any kind. In view of his remarks on warranties, can we conclude that a used car vehicle must be sold with some kind of guarantee in all circumstances? One question.

Mind you if the minister, after I am finished, wants to give an answer that is fine, but I will read the next question.

Hon. Mr. Wishart: I can answer that right now.

Mr. Ben: Okay, do you want to answer right now?

Hon. Mr. Wishart: Yes. The answer is that by The Sale of Goods Act, and I think I mentioned this to the House the other day, the fact that behind The Sale of Goods Act was the common law always accepted as custom of law that when you bought an article there were certain warranties that went with it as a matter of custom which grew into law; that it was fit to do the purpose for which it was designed; that it had certain qualities of proper workmanship, durability and so on.

Now I suppose perhaps I should say next that common law, which grew up as matter of custom in the marketplace, was consolidated many years ago into an Act known as The Sale of Goods Act, which attempted to put into a statute, as distinct from common law, the warranties which went with any article sold in the marketplace, no matter what it was. And the buyer could rely on those warranties that the vendor must perform and that the article must possess and he could sue on them, under The Sale of Goods Act, by statute rather than rely on the common-law cases which the courts had to look back at from precedent to precedent.

Then what happened recently in our marketplace, in our commercial life, was that dealers—and there was no law against this—were writing in the fine print of the conditional sale for the vendor to sign: "I will not rely upon or take action upon any warranties included in The Sale of Goods Act." So they wrote them out and they were free of all claims or warranty. The word guarantee is not a good word, really, because guarantee relates generally to the conduct of somebody else or some other thing, you guarantee performance of someone or you guarantee payment. But dealers were writing out the warranties in The Sale of Goods Act, getting rid of them, getting the buyer to sign that he would not take action to enforce the Act.

What we did a couple of weeks ago by the bill I introduced in the second section of that bill, was to say: "No vendor, no seller, can require or call upon the buyer to release him from the obligation to perform the warranties under The Sale of Goods Act", and if

he does, that shall have no effect in the court, even though the buyer has said: "I will not take action"; the buyer is free to do so. Even if you face him with his signature saying that he releases you, it means nothing; he is free to enforce the warranties. And they are the warranties that The Sale of Goods Act came from.

Now I said this further the other day and I repeat it again: it, I think it is probably very desirable and necessary that today in the marketplace as it has developed since the days of The Sale of Goods Act, that The Sale of Goods Act be looked at and revised and rewritten and brought up to date, so that new types of warranty in this sophisticated type of marketplace we have, new types of warranty may be written into a new Sale of Goods Act, and that the buyer get the benefit of those and that the seller be informed and understand what his obligations and responsibilities are.

That took quite a long-winded answer, perhaps, to the hon. member, but I think it was necessary to say in order to make it clear.

Mr. Ben: Well it was a winded answer—forgive me, I am not trying to be sarcastic about something—its just that it was a long answer. But the question still remains, as between dealers, not between dealer and the public, is there any warranty attaching to a vehicle when it is sold by a wholesaler or an auctioneer at a wholesale to a dealer "as is"—and I would point out that, all motor vehicles sold at a car auction, that is an auction where only dealers are permitted to attend, not the public, are sold on an "as is" basis, or have been until now. Is this going to change it? Are you going to now impose some kind of a warranty between buyer and seller, or seller and buyer, in these used-car auctions where the practice in the market has been to date that the purchaser takes the motor vehicle "as is"?

Hon. Mr. Wishart: I think, between dealers, perhaps they are knowledgeable of the item, the article. There would be little to be said if such a buyer could say he had any warranty, especially if he buys on a basis of "as is", "where is" and so on, there could be no warranty actually put in force.

Mr. Ben: And then I presume that the same would apply—

Hon. Mr. Wishart: That is distinct from the purchaser, the citizen, in the market.

Mr. Ben: I would presume that that also would apply if a dealer sold to a consumer a motor vehicle, marked "as is" on the understanding that he could not license it, he could not get a transfer of the ownership, until he satisfied the Minister of Transport and Communications that the motor vehicle was now certifiable.

Hon. Mr. Wishart: Well, I think we have regulations and rules now that you cannot sell—you cannot put out, certainly, on the road, and I believe it goes to the actual sale of a motor vehicle—unless it is in certain condition.

Mr. Ben: No, Mr. Minister, you can sell a motor vehicle that is not fit for the road but the registration goes to the department and it will not be relicensed to the new owner until he does perform what has to be performed. In other words, I can sell a car that is not fit for the road, providing I notify the department I am so selling it and I surrender the license to the department until such time as a certificate of mechanical fitness is filed.

Hon. Mr. Wishart: Well, I was trying to remember that new Act that was introduced a few days ago, The Consumer Protection Act, on the previous question. Consumer sale is defined as a contract for a sale of goods made in the ordinary course of business to a purchaser for his consumption or use but does not include a sale to a purchaser for resale, at A, or to a purchaser whose purchase is in the course of carrying on business.

Mr. Ben: That answers the first question.

Hon. Mr. Wishart: That answers your first question. Now you are asking me about the—

Mr. Stokes: The 41st question.

Hon. Mr. Wishart: —you are asking about the "as is" situation between the citizen purchaser of the "as is" vehicle on the used car dealer's lots?

Mr. Ben: And, Mr. Minister, under this "as is" clause, the dealer must send in the registration to that motor vehicle to The Department of Transport so that the purchaser does not get the registration until he has satisfied The Department of Transport that he has put the motor vehicle into a state of mechanical fitness.

Hon. Mr. Wishart: Right.

Mr. Ben: There would be no warranties then, I would assume, because it is made clear to the purchaser that he is taking it "as is".

Hon. Mr. Wishart: I do not agree quite with that. I mean, the regulations as to the condition of the vehicle are special things required by the department for certain reasons, that it, for safety or so forth. But I think, perhaps, one could very well argue, that certain things are required under that regulation; there may be other general requirements in the nature of warranty as would affect that vehicle. It might require it to have certain brakes, for instance. I presume that is perhaps in the regulations; I do not know them in detail. It must have a certain quality of braking. But I think there could be something else—if it were found that, say, the lower half of the engine or the pistons were made out of wooden rods, or something of that sort, I think you could say that that was something for which you could return the vehicle and say: "I was deceived, this will not perform the purpose for which it was designed". This is deception. I think you would have other things outside what a department requires for safety purposes; at least, I think I could make an argument of that type of thing.

Mr. Ben: My question is this: Is it not possible any longer for a dealer to sell to a consumer a motor vehicle on a definite understanding that a purchaser buys it "as is"?

Hon. Mr. Wishart: I do not think so.

Mr. Ben: You are saying that it is no longer possible?

Hon. Mr. Wishart: I do not think so.

Mr. Ben: That they cannot, any longer, after this is passed, send the registration into The Department of Transport, say for an antique, or sell a car that has no motor in it or anything like that, or sell a car that has no wheels on it?

Hon. Mr. Wishart: Well, a car with no wheels on it, it is certainly clear that it is not designed to run on the road.

Mr. Ben: But, Mr. Minister, you do not understand your own Act.

Hon. Mr. Wishart: Yes, I do.

Mr. Ben: Your Act specifies at the present time that in certain conditions you can sell

a motor vehicle on an "as is" basis provided that the person who buys it cannot drive it away until such time as he has satisfied The Department of Transport that the motor vehicle is mechanically fit, because under the Act, in the regulations, the vendor under such circumstances, does not transfer the ownership to the purchaser but sends it to the Department of Transport saying that this motor vehicle is not fit for the road, and the minister will not transfer the ownership or give a license for that motor vehicle to be operated until the purchaser subsequently puts it in to road worthiness and produces a certificate of fitness. The sale is still valid, though, because the purchaser is entitled to buy a motor vehicle that looks like a bunch of scrap and the vendor is permitted to sell him a motor vehicle that looks like a bunch of scrap, and it is a valid and binding contract except that the purchaser cannot operate that motor vehicle, nor will the Minister of Transport issue a licence for that motor vehicle until such time as the Minister of Transport has been satisfied by certificate of mechanical fitness that it is fit to be on the road.

Hon. Mr. Wishart: Well, all right, I am not going to prolong this but supposing the hon. member goes to buy a 1924 antique Ford that is sitting on the lot, and he is really not interested in driving it, even though a certificate of fitness were obtained. Let us say that the fender and the door were papier mache, glazed and polished and varnished, and he thinks it is steel, iron, metal, and he gets it as it is. Does he not think he has a right to go back to the dealer and say, "you fooled me, you deceived me, you did not sell me what I thought I was getting"?

Mr. Ben: Mr. Minister, are you not being a little too far fetched that a person is going to buy a 1924 motor vehicle which would be in the—it is not called an antique, there is another word for it—a classic, that is the word.

Hon. Mr. Wishart: All right, a classic.

Mr. Ben: A classic, that he would not inspect the motor vehicle, at least who buys a motor vehicle without kicking the tires or slamming the doors. Those are two rituals that everybody performs.

All right, I will let you meditate on that one, Mr. Minister. I just have two small questions.

Mr. Stokes: You said that 40 minutes ago. "Mr. Minister, I just have two or three little questions."

Mr. Ben: You are a good actor, we should put you on the stage. It says, "The salesman's surety bond has been eliminated—"

Mr. T. Deans (Wentworth): Better check and see if you can sell the stage.

Mr. Breithaupt: You will need a certificate of fitness for the stage.

Mr. Ben: It says: "The salesman's surety bond requirement has been eliminated from The Used Car Dealers Act and in view of the fact that the bond forfeitures in this group more than doubled last year—" well not quite, from seven to 11—"would the minister give consideration to reinstating the bond requirement for this category, that is, for the salesman, or increasing the amount of dealers' bonds?"

Hon. Mr. Wishart: I think this will be one of the points along—

Mr. Ben: I think there is just one final question, and that is to satisfy my friend over there. Would the minister indicate whether registration under The Real Estate and Business Brokers Act and under The Used Car Dealers Act, and like regulatory statutes, is either right or privilege?

Hon. Mr. Wishart: I think perhaps again it is a bit of a legal question. One could philosophize for some time. I think it is a privilege, not a right, except on certain conditions being met. In that sense it is a right, but having met those conditions, it has become almost automatic. I suppose somewhere it is not an absolute right, like the right to walk down the street, but a right to be granted on condition. Therefore I suppose it verges into the nature of a privilege if condition must be met.

Mr. Ben: Should not therefore the right and the conditions be acutely defined so there is no doubt in anybody's mind who has to pass judgement as to whether they have been complied with or have not been complied with?

Hon. Mr. Wishart: They should be reasonably and clearly defined, yes. I agree with you.

Mr. Ben: I look forward, Mr. Minister through you, Mr. Chairman, to answers to the points I have raised, because that was

the purpose of putting those questions to you.

Mr. Chairman: Vote 604, the hon. member for Thunder Bay.

Mr. Stokes: Thank you, Mr. Chairman. I am going to take considerably less time than the previous speaker.

I want some advice from him on behalf of a person who bought a brand new car from General Motors and it was found to be faulty, and he took it to the dealer who had subsequently gone out of business and said: "We have not facilities for fixing the car. You will have to take it somewhere else."

I appealed on his behalf to General Motors in Oshawa, and they said: "You will have to take it to the next closest dealer," which is Thunder Bay—110 miles from his home. After considerable dialogue back and forth with your department and The Department of Consumer and Corporate Affairs in Ottawa and General Motors in Oshawa and Winnipeg, we finally did get some redress for the chap. But he lost considerable time and was put to considerable expense in travelling back and forth to the city of Thunder Bay to get this work done, and he has not got complete resolution of the problem now.

My constituent says, "My tax dollar supports The Department of Transport and The Department of Consumer and Corporate Affairs; I do not like the way they spend it. I reported an unsafe vehicle to The Department of Transport; why did they not take it off the road? And why can General Motors sell junk?" He says, "Why does The Department of Financial and Commercial Affairs not make a complete investigation of a product it has never seen, and yet it is offering advice?"

I am wondering when a case like this is brought to your attention, do you send anybody to look at the vehicle and find out whether in fact the claims made by the purchaser are in fact a true reflection of what actually took place, and then go to General Motors or whoever the offender is and say, "Put this in order"? There is a warranty, as you well know, with all new cars; it is not the case that the hon. member for Humber was speaking of when you buy on an as-is and where-is basis. You know that when you buy a new car it is supposed to come up to certain specifications and the seller has a responsibility under the warranty.

I am wondering what advice you would give to a person like this who has been

aggrieved and is having a great deal of difficulty in resolving the problem?

Hon. Mr. Wishart: Mr. Chairman, not in every case would we possibly send an inspector to inspect a vehicle, such as in the case the hon. member recites. If we had an inspector in the area reasonably close by, we would do so.

The hon. member speaks of The Department of Consumer and Corporate Affairs, —sometimes of Financial and Commercial Affairs—

Mr. Stokes: Both of them were involved.

Hon. Mr. Wishart: Our department?

Mr. Stokes: Yes.

Hon. Mr. Wishart: And the provincial Department of Transport, I take it?

Mr. Stokes: Yes.

Hon. Mr. Wishart: I do not know what advice one would give. Apparently there has been correspondence with this department—

Mr. Stokes: Yes.

Hon. Mr. Wishart: There has been correspondence with Transport, with General Motors—

Mr. Stokes: Yes. Not The Department of Transport, but The Department of Consumer and Corporate Affairs federally and Financial and Commercial Affairs provincially.

Hon. Mr. Wishart: Ottawa and the province. And do I understand—I am not asking this to soften the blow—but do I understand that General Motors have now agreed to do something?

Mr. Stokes: They have agreed to do something about it, but certainly not to the extent that would compensate the person for all his—

Hon. Mr. Wishart: For his time and trouble lost. Well, I really am at a loss to say, Mr. Chairman, whether we have authority to do anything in the way of getting that compensation for him. I think that all that the manufacturer is required to do is to make good on the basis of its warranty. If the car has to be taken to the service station some distance away, or to the dealer, I do not think we can require him to pay. Perhaps we might look at the warranties and examine them and see if we can improve the type of warranty. I think that is one of the studies that we are

doing with respect to many types of goods, the fact that many warranties are almost worthless when one comes to read them as to what they undertake to do from the points of view of time of their duration, all the exceptions that are written into them, savings and so on. So we are doing that.

Mr. Stokes: What would you do in a case where there is not an obvious attempt by the seller to delay until the warranty had run out, but in fact that is what happens in many cases? By the time you get finished determining the extent to which the seller is liable to make something right, the warranty does run out, and then you have not as good a case as you previously had.

Hon. Mr. Wishart: I do not know this fellow, but I am going to risk this answer. I think if that letter is brought to the attention of Financial and Commercial Affairs, then we would, through the department, contact the manufacturer with the facts of the situation of the warranty, that the dealer is bringing about delay and is stalling. We would bring it to his attention. I think the fact that we get in touch with him—which I hope, was not in this case—would have some good effect in bringing him to the mark and getting him to undertake to carry out the warranty.

So I would say generally, to those persons who have difficulty in that area of warranty, use us. Use our department. That is what we are for.

That is why we are sending out a caravan to say: "Here is what you can do. Here is what we do. Let us have your complaint and we will follow it up." And I do not say for a moment that our department's performance is perfect, but I think we are proving that we are anxious to serve the public.

Mr. Stokes: Thank you.

Mr. Chairman: The hon. member for Riverdale.

Mr. J. Renwick: Mr. Chairman, I would just like to follow up very briefly with the minister this question of the warranty with respect to used cars, whether it be between dealer and dealer, or between auctioneer and dealer, or whether it be between the dealer and the ultimate purchaser. I am mainly concerned with the ultimate purchaser.

I would like to urge on the minister that he set up a minister's committee to deal with the possibility of establishing some method by which warranties could be given with

respect to used cars. I think it is an entirely separate and distinct and specialized field—apart altogether from whatever general amendments may be necessary with respect to The Sale of Goods Act at the present time.

The reason I think it is distinctive—and perhaps this relates, to some extent, to what my colleague, the member for Thunder Bay, was saying—is that your report shows a large number of grievances filed under the heading of used car dealers, to which the member for Humber has referred. Namely, 2,081 in the year 1970, and 2,075 in the year 1969 and presumably, somewhat about the same figure in the fiscal year which ended on March 31 of this year.

I would guess that an analysis of those grievances would show that only a small number are related necessarily to the question of fraud or misrepresentation or some other ground, which might ultimately lead to the cancellation of a salesman or a dealer's licence to deal. Many of them are related to a misapprehension on the part of the public of the function that the minister's department performs with respect to the question of the fitness of used cars. I make that as a first categorical statement, in part with a question mark. Perhaps the minister has an analysis of those grievances—

Hon. Mr. Wishart: That is generally right.

Mr. J. Renwick: —which this would bear out, but I would assume that to be the case.

My own experience has been that I write on a number of occasions throughout the year—as I am sure many other members do—to the department on behalf of constituents on this question of the faulty nature of the automobile which they have bought. It has all sorts of ramifications, particularly if the vehicle is not repaired; the man does not have an adequate automobile, and yet is saddled with the consumer debt which he incurred for the purpose of buying it. But that is a separate question.

I urge on the minister the need to have a special study of the possibility of a warranty in the used car business. It may be that it is not an identical warranty in all cases, related to an aging process. The length of time of the warranty might be longer in certain cases. Or it might be well known to the public that if you buy a car which is of a certain age, no warranty attaches. And it may be that, depending on the age of the vehicle and its history as known to the dealer, that the extent of that warranty may be broader in some cases than in others.

So I am not speaking about some kind of a uniform warranty. I am talking about a carefully assessed and studied possibility that a warranty could be made available to a person who buys a used car so that he know exactly what he can expect for the money which he is paying.

I would also couple with that, in the alternative, that the minister could give consideration, or such a committee could give consideration, to abolishing the use of the word "warranty" in respect of used car sales, except within the limited purposes which I think has got to come about in the province with respect to these sales. Many people get something headed "warranty" or "guarantee" or some such document and all it is is an indication that if the car breaks down that they can come back and get the work done, with the parts costing a certain graded percentage of the dealer's usual cost for goods. It is really not a warranty at all.

Hon. Mr. Wishart: What word would the hon. member use? Has he a suggestion instead of warranty?

Mr. J. Renwick: I think the minister should retain warranty, but he should not let a dealer use it for what, in many cases, are misleading forms which he gives to a person. I may not have made myself clear. I think warranty should be kept for the purposes of the warranty. But a dealer should not be able to use the word warranty for things which are not warranties with respect to the vehicle, but are only a privilege to come and get the necessary parts for repair purposes at a reduced price, or some similar advertising gimmick, drawn up usually in a form, which to most people is misleading, if they do not read it, and many people, including myself, probably would not read it.

But the principal reason is that I think it is fair to say that the law in the province with respect to motor vehicles, new or used, at the present time, is reflected in three statements taken from a recent case—and I am not going to comment about the case. The first proposition is that the motor vehicle is a dangerous or potentially—

Hon. Mr. Wishart: Would the hon. member care to cite the case? I would like to have a citation if he has it.

Mr. J. Renwick: Yes, Twelve Dominion Law Reports, third edition, at page 53;

Hon. Mr. Wishart: Third edition?

Mr. J. Renwick: Whatever they call it—third series—sorry—Twelve Dominion Law Reports, third series, 1970, page 53.

The three statements which are made are that:

A motor vehicle is a dangerous or potentially dangerous thing, and as such, there is a duty imposed upon those who manufacture, supply or repair it to take reasonable care.

That, of course, is within the concepts of McAlister (or Donoghue) versus Stevenson.

Secondly:

A manufacturer who designs and puts a product on the market is liable to the ultimate consumer to ensure that the goods so marketed are free from defects which arise from negligence or lack of care on the part of the manufacturer.

Thirdly:

Persons who supply, distribute, sell or import a product owe a similar duty of care to the ultimate consumer to ensure that the product does not contain defects which result from the negligence of such supplier, distributor, vendor or importer.

The problem, therefore, is that a person who—take the sad situation where, as a result of buying such a vehicle, he is involved in an accident. He then has to go to a lawyer and arrange to sue. The lawyer will advise him to sue in negligence on the basis of the Donoghue and Stevenson doctrine, because, in all likelihood, the chance of recovery there in the case of a new car are somewhat greater than on the basis of suing on a warranty. If he couples with it a suit on the warranty, then it may well be that the proof of the warranty is a much more difficult proposition than the proof of negligence.

In the particular case to which I referred, negligence was held, but the court did not even consider, or they claimed they were going to consider but they, in fact, did not consider, the nature of the warranty.

If I can go back to try to apply that statement to the case of the sale of a used car, then it seems to me that, without waiting for a person to be injured or suffer property damage in an accident, with respect to the use of a used car, a person who buys one is entitled under the law of this province, as I think it should be, to the benefit of very definite warranties, that he knows exactly the extent of the protection which he got when he bought the vehicle.

I tend to agree with what the minister said, that the certificate of mechanical fitness requirement is a different field of public policy. While it may indirectly assist the purchaser, that is not its purpose. The purpose is a public purpose of a minimum degree of safety of vehicles on the highway, and does not have anything to do with the actual nature of the kind of warranty that I am speaking about.

But as I take it under The Sales of Goods Act, with the amendment when it comes into force for Consumer protection which the minister introduced, which leaves the person back with the warranties which are under The Sale of Goods Act, that he does not have any warranty with respect to merchantable quality, because as I read The Sale of Goods Act, the warranty as to merchantable quality applies only where you buy goods by a description, and not in the case where you buy such a specific vehicle as a particular used car on a particular lot. He does not have the benefit of the merchantable quality warranty. Then you come to the question—

Hon. Mr. Wishart: That is one reason, but not the major reason I think, why we feel The Sale of Goods Act should be rewritten, updated, reviewed and revised.

I am interested in what the hon. member has to say about the used car and the warranty we may give it. It seems to me it is going to present some difficulties, because you take a vehicle of that nature out, even for an hour, and the usage you get is going to make it very difficult to say whether some purchasers were at fault in the usage of it, or whether the vendor still remains liable.

However, I interrupted the member. I would like to hear his comments.

Mr. J. Renwick: Yes, I will just comment on what the minister said. That is always an argument with every article that one buys. I think specifically because of the dangerous nature of an automobile we should not be diverted from trying to find a solution to this problem, because of that particular problem which is common to the use of all equipment which one buys.

Just to follow on; therefore, if I am correct, I read the Act to state simply that the only warranty which the purchaser of a used car would have, taking into account the minister's amendment, is that he falls within the class of buyer who meets this

requirement. That he expressly, or by implication, makes known to the seller, the particular purpose for which the goods are required, so as to show that the buyer relies on the seller's skill or judgement, and the goods are of a description that is in the course of a seller's business to supply.

There is an implied condition that the goods will be reasonably fit for such purpose. I think that in a court one could talk for some considerable time as to whether or not, when you buy a used car, presumably the purpose you bought the car is to get from point A to point B, and to use it for your general purposes of transportation.

I am not at all certain whether even that warranty is available to a person who buys a used car. It would appear in common sense to be the case that if I go and buy a used car I do not have to say, "Mr. So-and-So, I am buying this car for the purpose of my general transportation, and I am relying on your skill to give me a car which will be fit for that purpose," in order to make certain that the warranty applies to the vehicle which one bought.

It may be that a court would uphold it. In the used car business it is now an understood custom of the business that no warranty attaches, regardless of what the minister may say, because another section here may indicate that in a particular trade no warranty attaches at all.

I come back to my proposition, which was sort of implicit in what the member for Humber said in the case of the new car, and was a matter of concern in what my colleague from Thunder Bay said. To come back to my original proposition that the minister establish a minister's committee to deal with this problem in its specific framework of the purchaser who buys the used car—I think it was interesting, as a matter of fact, there was a notice in the paper just within a day or so, which a dealer of one of the more expensive cars is, in fact, giving some kind of a warranty on used cars which he sells.

I think that there must be an extension. I think only a special study can disclose what is fair and reasonable both to the used car dealer or the motor vehicle dealer, and what is fair and reasonable to the purchaser. I just do not think we can tolerate in the province a condition under which no one knows what warranties a person has when he purchases a used car.

It would be much better for everyone to have different warranties depending on the

year and the make and the length of time it has been on the road and its past history, than to be in a state where no one knows exactly what those warranties are without having recourse to a court, because that is an expensive proposition. There are very few people who buy used cars who can afford the luxury of going to court to find out what warranty they may or may not be entitled to. And I urge the minister to appoint such a committee to see whether it is possible to come up with some positive suggestions in this very limited but important field where dangerous chattels are sold to the public day in and day out in the province.

Hon. Mr. Wishart: Mr. Chairman, before the hon. member for Humber rises, I would like to simply state how I have listened with great interest to the member for Riverdale, and I think in our studies of warranties generally we will certainly take his suggestion into account.

Mr. Chairman: The hon. member for Humber.

Mr. J. Renwick: I have one further matter—do you mind?

Mr. Ben: Yes I do. On this particular point, apropos of what the hon. member for Riverdale was saying, I would ask the hon. member to read carefully the regulations passed pursuant to The Used Car Dealers Act. You will find that the requirements under those regulations make it almost imperative that the car be put into new warranty condition.

I have had occasion to act for a number of used car dealers because they came to me as being the person who had in the first instance, in this Legislature, pushed to make the certificate of mechanical fitness mandatory. I think the hon. minister will recall that. They were suggesting that they were carrying these things to ridiculous extremes, as a result of which I defended a number of them and I am happy to say that I lost but one.

Your department sent down a solicitor, and in that particular instance the magistrate said, "Well, this was obviously an honest mistake." He said to the solicitor for the department: "Are you suggesting that even though I find it is an honest mistake, I must convict this man of having made a false certificate of mechanical fitness?" The solicitor said: "Yes, you must." He says: "Well, I find that it is an honest mistake, but if you say I have to convict, then I will convict."

Well, he could appeal. But this is what was bothering him. They were alleging persecution by the department. And this is why I had made it a point to go over this Act with a fine tooth comb. One last question I am going to leave with you, because it is 5 o'clock and I have two minutes, and this touches on the position of the registrar appearing before the tribunal.

Section 19 (1) of The Used Car Dealers Act, stipulates that any parties to the hearing before the tribunal may appeal from the decision of the tribunal to the Court of Appeal. Since the registrar is designated by section 8 (1) of the Act as a party to the tribunal, it seems that he can also appeal the decision of the tribunal where the tribunal does not agree with his decision.

As a matter of fact, one of these has happened. Why does the registrar have the right to appeal the decision of the tribunal, since the tribunal is set up to protect the rights of applicants and registrants against arbitrary decisions of the registrar? What is to prevent the registrar from using the appeal machinery on each and every action when the tribunal does not agree with his decision, since it is not going to cost him anything? The government pays for every appeal of the tribunal to the Court of Appeal and he could exercise that right frivolously and put dealers with whom he does not have a rapport to unnecessary expense.

You recall, Mr. Minister, when you were the Minister of Justice I suggested that city solicitors, municipal solicitors in municipalities, ought not to have the right to appeal the decisions of prosecutions which they laid by way of trial de novo because there was every possibility, with the sources available to the department, to try their case properly the first time; that if there was a mistake in law found then they should appeal to the Court of Appeal on a point of law, but that they should not, through their own negligence and inability to carry a case forward properly, put the citizens to unnecessary expense.

Or, the alternative, that where the citizen succeeds, then the department or the municipality should pay that citizen's cost on a solicitor and his client basis.

Hon. Mr. Wishart: Mr. Chairman, very briefly, even when I was Attorney General, there is always, on the other side of the case, the right of the public—just that one citizen's right of appeal in court. Sometimes even The Department of Justice had to appeal to maintain the public interest. And here, in this

department, in these civil matters, there might be occasion where, in order to make it clear for the benefit of the whole citizenry, that a point be carried by the registrar to appeal.

Have we time to put the vote, Mr. Chairman?

Mr. Ben: Why does the minister not pay the costs of the successful litigant?

Mr. Chairman: Vote 604 carried?

Mr. J. Renwick: Mr. Chairman.

Mr. Chairman: Yes, I thought the hon. member for Riverdale did have a question. The vote is not carried.

Mr. J. Renwick: Thank you, Mr. Chairman.

Hon. Mr. Wishart moves the committee rise and report progress and ask for leave to sit again.

Motion agreed to.

The House resumed, Mr. Speaker in the chair.

Mr. Chairman: Mr. Speaker, the committee of supply begs to report progress and asks for leave to sit again.

Report agreed to.

NOTICE OF MOTION

Clerk of the House: Notice of motion No. 12, by Mr. J. Renwick.

RESOLUTION:

That any tax concessions or incentives granted under any statute of the Province of Ontario designed to assist corporations, subject to the taxing jurisdiction of Ontario, to acquire shares or other interests in other corporations incorporated in Ontario or elsewhere, be restricted to corporations having a degree of Canadian control as defined in The Corporations Tax Act of Ontario.

Mr. J. Renwick (Riverdale): Mr. Speaker, I move the resolution standing in my name.

Mr. Speaker: Mr. J. Renwick moves resolution No. 12.

Mr. J. Renwick: Mr. Speaker, the resolution which is stated to some degree in jargon is one which is simply designed as a plea to urge the government to give some consideration to using the definition presently in The

Corporations Tax Act of a degree of Canadian ownership which has been introduced into the statutes for a very limited and specific purpose. Let me, before elaborating further, make the one, two or three very obvious points.

The first point is that it is acknowledged now that the fiscal measures of the Province of Ontario—as indeed of every other jurisdiction—are not designed solely for the purposes of raising revenues, but are also designed for the purposes of furthering certain policies implicit in the policies of the government of the day that introduces them. This particular policy is, and I think we can have broadly a general agreement in the Legislature, that on this day and at this time there is a general desire to maintain a degree of Canadian control over the economic activities which take place in the Province of Ontario, mainly through the instrumentality of corporations which carry on their business in this province and are subject to the taxing jurisdiction of the province.

If that proposition is correct, that there is a general agreement we maintain a degree of Canadian ownership, then I point out to the government that in their Act, The Corporations Tax Act of Ontario, for a very limited purpose there is a definition of a degree of Canadian control.

The second point I want to make—I am not in any way advocating some suggestion that Ontario take a separate road in this regard. The definition of the phrase, “a degree of Canadian ownership” was taken into our statute because it was in the federal statute and it was a desire to maintain the uniformity between the federal Income Tax Act and The Ontario Corporations Tax Act that the definition was introduced into our statute.

It would be, I assume, through co-operation between this jurisdiction and the federal jurisdiction that any implementation of any comments I made in this particular regard would be carried forward on a uniform basis.

The Corporations Tax Act—to return now to the jargon and to try and eliminate it as best I can—presently provides that a corporation which has a permanent establishment in the Province of Ontario and therefore subject to tax in the Province of Ontario on its taxable income as defined in the Corporations Tax Act has a degree of Canadian ownership in a fiscal year if in a particular 60-day period it can establish certain things.

There are three tests. First, that the corporation is resident in Canada during that time.

Secondly, that either 25 per cent or more of the equity shares of the corporation were owned by one or more individuals resident in Canada or by one or more corporations were controlled in Canada or a combination thereof or alternatively that the equity shares of the particular corporation were listed on a Canadian stock exchange and not more than 75 per cent were owned abroad directly or indirectly.

Thirdly—and I will have to leave it to my friend to establish that—there is a requirement with respect to directors’ representation on the board which I do not happen to have written down in the brief sketch I made of the section, so that there are basically the three tests; residence in Canada, a certain directorship qualification, and then this question as to the ownership of 25 per cent or more of the equity shares in Canada, in the case of a company which is not listed on the exchange, or in the case of a company whose shares are listed on the exchange, the opposite proof that not more than 75 per cent were owned abroad.

Now, using that particular definition of a degree of Canadian ownership—and one need only read The Income Tax Act to see the immense technicality which flowed to even give precise meaning for tax purposes to the phrases used in that definition—one can realize the limitation which was placed on the use of the definition.

I simply point out, to the House, Mr. Speaker, that it has a precise and limited definition, and that is that during certain periods of time—if goods are purchased or buildings constructed for manufacturing and processing purposes which can then be shown to have produced revenue from those investments. And if from the result of the sale of goods processed or manufactured in Canada, or the leasing or renting of goods that were processed or manufactured in Canada, it can be shown the revenue from those reaches a certain figure, then a person is entitled to value them for depreciation purposes at 115 per cent of their original value.

That is, at the present time, as I understand it, the sole reason why this particular definition of a degree of Canadian ownership is in The Ontario Corporations Tax Act, and it again makes the provision uniform for the purposes of the Federal Income Tax Act.

Well, Mr. Speaker, it struck me during the course of the reading of the budget in the House, the introduction of the budget, some weeks ago now, and in the bill introduced by the Minister of Revenue (Mr. Winkler) to

implement a particular change reflected in the budget; namely that a company should be allowed to deduct interest paid for the use of money borrowed for the purpose of buying shares of another corporation. The amendment to provide for the deduction of interest for tax purposes was designed in accordance with a statement made by the Treasurer to do something about maintaining Canadian ownership or control in the economy, and to place Canadian corporations at no disadvantage to foreign corporations.

At that time, I was not able to be here when the particular debate took place at the particular moment when the section went through. I wondered why the government did not use at least this minimal qualification—that any corporation in Canada, to have the benefit of the deductibility of interest paid when the moneys were borrowed for the purpose of buying shares of another corporation, should not be required to be a corporation which had a degree of Canadian ownership.

It seemed to me that was implicit in the remarks made by the Treasurer, that that condition should have been contained in the statute which was passed. It may be that out of these remarks on this debate on this particular resolution today, the minister may consider that such an amendment would be justified.

I wanted to go on from that, after making that particular isolated point, to suggest to the government that there is a creative possibility in this idea of a degree of Canadian ownership in furtherance of a policy, no matter how ardently some of us may pursue it as distinct from others, on which we could all agree—that there are certain incentives or benefits which corporations can get under The Corporations Tax Act of the province, if they happen to be companies which have a degree of Canadian ownership.

I have tried to search in my mind for the kind of areas where it might be possible to further the objectives stated by the government in some of the reports which have come out. For example, the Ontario Economic Council a short while ago issued a report indicating that the impact of estate taxes and succession duties was one of the reasons why Canadian-controlled corporations were in many cases forced to sell out. Whether or not one accepts the full implications of that report I do not think matters. It may well be that there are certain specific things which this province could do to assist corporations in Ontario which can be classified, say,

as family corporations, and give them an advantage or a benefit that would prevent or at least go some way to prevent—if the reason is a bona fide one—the sellout of such a company.

For example, there are provisions in The Corporations Act which permit loans to be made to shareholders. If one were to take this specific example of a closely-held family corporation and the death of the principal shareholder in Canada, one would find that if a corporation which happened either to have funds available to it among its own assets in liquid form, or had available to it bank credit, if they made the mistake of lending money to the estate of that deceased shareholder—or to a living shareholder if he had decided to sell out while he was alive because of the pressures of trying to maintain his position because he did not have sufficient assets to meet the succession duty requirements and wanted to adequately plan his estate—one would find that there were very serious income tax implications if any such loan were made.

It may well be that if it were possible to frame, in the taxing statute, a provision which said that if the Minister of Revenue was satisfied that a loan was being made to a shareholder for the purpose of enabling him to do something to ensure the maintenance of a degree of Canadian ownership in his corporation in the event of his death—if he is planning his estate prior to his death—or his executors in the event that the death has already occurred and the executors feel they are forced to sell it, it may well be that we could provide a benefit or advantage to such a corporation; exclusive to that kind of corporation when the minister was satisfied that it was for the bona fide purpose of maintaining a degree of Canadian ownership. It seems to me also, for example, that to the extent that we wanted to foster research and development projects, research works, scientific research or product research, by Canadian-based companies with a degree of Canadian ownership, it would be possible to provide more favourable terms, under which expenditures made for scientific or product research could be a deduction for tax purposes, if it was being taken advantage of by a corporation which had a degree of Canadian ownership.

It seems to me, similarly, in the field of capital cost, which I have referred as the immediate reason for the definition being in the statute, that it would be possible,

carefully perhaps to provide additional incentives, by way of increased depreciation allowances to those corporations which had a degree of Canadian ownership. It might well be possible to provide more adequate depletion allowances for companies which had a degree of Canadian ownership.

It may well be that in the situation, where a company with a degree of Canadian ownership, buys another company that, instead of having a portion of the surplus of the company which is being bought designated as designated surplus and, therefore, not part of the available funds to the overall operation, without a tax impact coming to it, it may well be that, if the buying company can show that it bought that company in order to ensure the maintenance of a degree of Canadian ownership, there should be an ameliorative provision permitting the funds in the one company to be moved to the other company for the purposes of the overall business of the organization.

Let me, Mr. Speaker, just simply in closing, in throwing out these remarks for the government, urge them to take the concept of a degree of Canadian ownership, not necessarily in the specific form in which it presently is in the Act, because it is a very Milquetoast one at the present time. That concept could be validly and effectively expanded to be an instrument by which the generally agreed policy, I believe, of the members of this House—regardless of party—and of the people in the Province of Ontario. It could be implemented to go some way to giving some effective strength to carrying out the policy that we are interested in in maintaining a degree of Canadian ownership, at least in those economic operations within the Province of Ontario carried on mainly through corporations.

Many of us in this party would go much further than members of other parties, but I am convinced that, on this minimal basis, there is the germ of a fundamental idea which could provide an expanding basis for this Legislature affirming, and the government affirming, its considered view that it is in the interests of the people of the Province of Ontario and the interests of the people of Canada that we do what we can through the taxing structure to ensure the continuance of a degree of Canadian ownership.

I throw out those ideas, Mr. Speaker, for the consideration by the government and with the plea that the government would meticulously consider the ideas reflected in that

definition in any further fiscal policies which they may introduce by way of benefits or advantages to corporations through the taxing structure of the province.

Mr. J. R. Smith: (Hamilton Mountain): Mr. Speaker, the resolution before us by the hon. member for Riverdale and the basic principle indeed have merit. The issue of Canadian economic nationalism presents many varied and highly complex points for consideration. It has become a very popular issue and, while I applaud the interest and involvement of the public, I do hope we can avoid the pitfalls of simplistic answers and solutions based largely on emotion-charged rationale. Simple parochialism and simple anti-Americanism are not worthwhile substitutes for policies which will maintain our economic strength and preserve our own heritage at the same time. Dependence upon external sources of capital for financing in periods of heavy investment activity has been characteristic of Canadian development. During the exceptional growth that occurred during the First World War, non-resident investment was very high, with the main source of investment being London. However, during the first part of the inter-war period, the United States became the principal source of external capital, and by 1926 the portion of Canada's international debt owned in the U.S. exceeded that owned in Britain. With some interruption during the 1930's, American investment in Canada continued to increase, particularly after 1947, when the period of intense activity in the petroleum industry got under way. In 1967, American direct investment of more than \$28 billion continued to represent more than three quarters of all non-resident investment in Canada.

This transition from Britain to the United States as the major investing country also involved a shift in the major type of investment. While British investment had been primarily portfolio investment in railways and utilities, American investment has been primarily direct investment in other Canadian industries. There are many reasons for the penetration of Canada by American capital. The United States emerged from the last world war as the world's largest economic power. It was the first among industrial nations to build a market economy based on the principles of large-scale economics and fast technological change. In this process, a huge and well functioning capital market was created and powerful joint stock companies grew up in size and

numbers capable of developing natural resources and sophisticated technological inventions, not only on American territory but also abroad.

Our foreign trade policy converged with this American capacity and eagerness to expand into foreign markets. Canada's tariff structure was designed to raise the cost of imported goods in order to protect young domestic industries, and American companies availed themselves of the opportunity to get behind the Canadian tariff wall to set up plants designed to supply Canada's domestic market. Our general open economy welcomed American capital investment, based upon the conviction that any restrictions on the inflow of foreign capital would seriously impair our economic growth and prosperity. And along with direct American investment came the "package" of technological and managerial knowhow and marketing facilities.

Almost all of the western nations look favourably upon some capital inflows from abroad, provided this foreign controlled investment does not get out of proportion to their domestic economy.

In Canada, the size of economic control and ownership is now clearly the centre of dispute and there is also the fundamental question of whether foreign investment will continue to contribute to Canada's growth.

However, in working toward the reduction of American influence over our lives, several cautionary guidelines need emphasis. Before any steps are taken to limit foreign control of the Canadian economy, policies and plans must be devised to ensure that alternative sources of capital and technology are available. We must ensure that designs to Canadianize businesses do not imperil the maintenance of full employment, reduce productivity or economic growth or work against equitable distribution of resources.

In the past, Canadians have tended to accept the economic benefits of foreign investment with little regard of the real costs. Now we must turn to developing policies which will maximize the economic benefits of foreign investment while minimizing the social and political costs.

Nationalistic economic policies directed toward securing an appropriate measure of Canadian ownership and control of this country's economy, should first aim at halting, then subsequently reversing, the trend toward more and more non-resident ownership and control. To be successful such policies would have to be both comprehensive and firm, but moderate at the same time. Nationalistic ex-

tremism would be economically self-defeating. Panic in the foreign-owned sector of Canada's economy would cut down domestic investment, increase unemployment and undermine our balance of payments.

Under a policy of enlightened national self-interest, the federal government would have to establish a comprehensive set of rules regarding the permissible growth of foreign control of domestic industries, while at the same time creating strong incentives to more domestic ownership and control.

I want to underline the importance of the need for federal action. Control and restrictions must be applied right across Canada. Independent action by a provincial government would be an impossible task and would place any province in the dangerous position of keeping out investments which would simply move to another province. The phrase is "economic nationalism," not "economic provincialism."

There is a vast arsenal of ways and means of achieving the objectives of moderate foreign investment policy without undue economic hardships for Canadians. Examples would be the exclusion of foreigners from certain industries such as the real-estate trade; requirements for Canadian majority ownership and control of selected industries such as natural gas extraction and insurance companies; restrictions on long-term borrowing by foreign-controlled firms on the domestic capital market; requirements for minimum Canadian equity participation in foreign-controlled subsidiaries such as chemical firms; income-tax incentives for Canadians who invest the larger part of their savings in Canadian-controlled corporations. Indeed, this is one of the tragedies, it seems to me, Mr. Speaker, that in Canada so few involve themselves in investing their savings in Canadian stock companies.

As emphasized previously, most of the defensive weapons should be exercised at the federal level, but there are several areas in which the provincial government can establish ground rules. Ontario has attempted to do that.

Our cultural development is now under review by the royal commission on book publishing and the government has accepted the commission's recommendation that as an emergency measure the Ontario Development Corporation acquire from McClelland and Stewart Limited 10-year term convertible debentures for one-third of the company's assets. This acquisition should ensure that the creative momentum in original Canadian

publishing undertaken by McClland and Stewart will not be lost or permitted to be transferred to non-Canadian ownership.

Preference to Canadian owned businesses seeking grants and loans under our various incentive programmes has been established, as has a venture capital fund to further encourage Canadian enterprise and ownership.

Crown lands are now made available only on a lease basis and Canadians are given preferential treatment when Crown land is available for cottage lots.

These new measures are in addition to legislation passed in the previous session to keep Ontario trust and loan companies Canadian-owned.

Mr. Speaker, this government announced its intentions to hold a conference on economic and cultural nationalism in the Throne Speech opening this fourth session, and at the end of May, the Premier (Mr. Davis) announced details of the conference. The conference has been designed to put forward a wide range of informed views, and to bring forward relevant aspects of the debate. In addition to speakers, chairmen and panelists invited by the government, key organizations and associations have been invited to nominate delegates so that a cross-section of the public will be represented at the conference. The broad range of delegates should result in a fruitful exchange of ideas, and above all, should create much to the understanding of this important issue.

The NDP's decision to hold their own conference on economic nationalism is a move which can only be interpreted as grandstanding. At the same time Mr. Speaker—

Interjections by hon. members.

Mr. P. J. Yakabuski (Renfrew South): The hon. member will regret it. It will backfire and he knows it.

Mr. J. R. Smith: That sort of woke a few people up. It is very interesting, Mr. Speaker—

Mr. W. Ferrier (Cochrane South): He is not even discussing the issue.

Mr. J. R. Smith: Mr. Speaker, it is very interesting to see that the Waffle wing of the NDP will be centre stage at that conference. Political opportunism has a very short memory—

Mr. W. G. Pitman (Peterborough): That is a terrible speech I would not even read it. They are sure turning out some awful stuff for these guys to read

Mr. J. R. Smith: Featured speaker Melville Watkins is the author of the proposed NDP manifesto, which Stephen Lewis described in October 1969 as being a document of sheer unabashed weariness, containing old ideas with solutions dangerous to the NDP party and to the country.

Mr. Yakabuski: A love affair going on in secret. That is what it is.

Mr. J. R. Smith: The Waffle policy of nationalism of industry is a solution for repatriation of our economy, and continues to haunt and embarrass Mr Lewis as the provincial leader.

Mr. Ferrier: Better get a new speech writer.

Mr. J. R. Smith: In February of this year, he is reported by the Toronto Star as having described the Waffle group's economic policy as "hopelessly deficient," and that his party's policy of economic nationalism should not be "diffused, reinterpreted, or distorted, by the Waffle wing". I suppose, Mr. Speaker, one could give marks for allowing freedom of expression on this issue, but it is difficult to accept their intent as sincere when the policy of the star NDP speakers—

Mr. Pitman: Right, he has heard of that. Not much freedom of expression in his caucus.

Mr. Speaker: Order! Would the hon. member please find a convenient place to conclude his remarks, as his time is overspent?

Mr. J. Renwick: Thanks, Mr. Speaker. It is about time.

Mr J. R. Smith: Speakers have been written off by their provincial leader as hopelessly deficient. Such a recommendation does little for the credibility of this forum.

Interjections by hon. members.

Mr. D. M. Deacon (York Centre): Mr. Speaker, I am pleased to rise in support of this resolution by the member for Riverdale.

Foreign investment in the past has been a tremendous help to the development of this country, not only in the provision of funds, but in management skills. But the foreigners, to begin with, came in here as partners with us. They needed us here on the ground, in the country, to help them

and this is the initial way that most foreign investment and skills have come into our country, working together with us.

So often familiarity breeds contempt and in many cases, unfortunately, those who have invested in this country from abroad and from the other side of the border have learned that they can do things to their advantage without considering the Canadian and the local requirements. For that reason there has been a tremendous concern expressed to an increasing degree about the matter of foreign control in this country.

Hon. G. A. Kerr (Minister of Energy and Resources Management): We just do not horse-trade enough, that is all. It is just a matter of good horse-trading. Never mind whining.

Mr. Speaker: This is the private members' hour.

Hon. Mr. Kerr: Oops, sorry!

Mr. Deacon: The one point that interests me in the legislation, the tax area, is the matter that it refers to shares with full voting rights. I think this is a point we must take into account when we talk about foreign ownership and foreign investment.

It is the degree of control that those outside this country have that really has the greatest impact on what happens and the way our capital is directed in the country. I therefore am pleased that the member for Riverdale has tied his resolution to the present legislation which does speak about shares with full voting rights and the criterion is in that regard.

I share with him concern though that the present legislation refers only to 25 per cent of Canadian ownership. I feel in time we must move to majority ownership—and well over majority ownership—to ensure that we have, in fact, control over our own destiny.

I would point out though that even the 25 per cent criterion that has been in effect in the past, has had quite a beneficial effect in three or four situations where the companies have chosen to offer shares of their Canadian subsidiaries to Canadians. I know of several situations in one company which were corrected as a result of this.

In the past one company had been known to shift assets without very much concern as to whether the shift in assets was going to be a benefit or a detriment to our interests here in Canada. They shifted sales to the most convenient subsidiaries in other parts

of the world that might have been developed by our own Canadian sales force. They, in many ways, showed little concern, about the position of the Canadian subsidiary that they controlled. But once they had a 25 per cent Canadian minority position to consider, their attitude changed to one of a much greater degree of responsibility and good citizenship.

Many of our foreign-controlled companies do show signs of good corporate citizenship, but it is nothing like having in the law of this country, whether in tax incentives or in other means, the measures that will provide an inducement to be good corporate citizens.

I suggest that the time for action is long past. We have had a lot of talk; we have had more conferences suggested by the Premier. The question I think is quite well understood by Canadians. They recognize the fact that they have lacked capital and management skills in the past, but we certainly should know now that we do have capital and we do have available to us great management skills. It is not necessary for us any longer to be and remain so dependent upon foreign control.

For example, with regard to the availability of capital, we do know that the studies by York University conducted three or four years ago, showed an excess of \$10 billion of equity funds could be made available by Canadians—there would be a surplus of that—for investment in Canadian opportunities were we to make situations attractive enough to them. This attraction would include the problem of having sufficiently marketable Canadian securities so that if they invest in them, they know there would be a buyer if, at some time, they had to dispose of their securities for one reason or another.

They also would like to have some assurance of opportunity in the field, scale and size of the operations; that they would have an opportunity for diversity of investment which we could provide if we had more of our companies operating in Canada, controlled by Canadians.

Despite the fact that many foreign companies point out that their own head office shares are listed here in Canada, it does not mean much to us. We recognize that we can buy into these companies, but we are buying a position in which the Canadian interest might be one or two per cent. There is no significant impact on what that company does in the way of providing incentives to the development of our own Canadian opportunities.

I also feel that part of the programme for developing Canadian control should be that of encouraging companies to offer to Canadians the special shares that have extra votes per share so that they can, without requiring a substantial percentage of actual ownership, be able to turn over to Canadians, in the Canadian plans, a much greater degree of the control of the company. For example, if a company such as International Nickel created a class of shares of 10 votes per share to offer to Canadians it would, in effect, mean that by offering one-tenth of the number of shares that is normally listed on the market, you would greatly increase the percentage of Canadian control of that particular company, the Canadian interest in that particular company.

This question of voting privileges on the stock does not normally attach to it a very high monetary value; or does not normally have attached to it a very high monetary value. As we have seen in the past, voting shares which have other identical attributes to non-voting shares very seldom sell at more than five per cent above the non-voting shares, unless there is some particular battle for control in the offing.

For that reason, I think it is quite feasible for us to have incentives such as these tax incentives for creation of opportunities for Canadian-controlled corporations—special opportunities—in order that the problems we have seen in the past of foreign control, where good corporate citizenship is often ignored and is more likely to be ignored than if they are Canadian controlled, can be overcome.

It is time that we stopped talking. It is time that we took action. The recent budget introduced by the government continued to show its reluctance to take any action, do anything that would change the present situation. It continued to show its failure to see that it is not just Ottawa, that it is Ontario, that can be doing something to bring control of our industry back to this country.

Mr. H. Peacock (Windsor West): Mr. Speaker, I rise in support of the resolution moved by the hon. member for Riverdale. I cannot bring to bear in support of his argument anything like the technical competence which he and the hon. member for York Centre share in a discussion of this nature, having regard to all the intricacies of the corporation taxing statutes and the structure of corporations under our law.

I want to make a few general observations about the proposal and about the state of the Canadian economy and the influence of non-resident ownership upon it. In the decade of the sixties Canadians saw about 1,000 business establishments pass from resident ownership to foreign. It was not until the close of the decade and well into the first year of the nineteen seventies that we began to express very much concern. The recital that we just heard from the hon. member for Hamilton Mountain was a pretty dusty recitation indeed of the attitude of this government all through that same decade of the nineteen sixties. "We have to welcome foreign ownership. We must not affront those who would invest in our society and economy. We owe a great debt to them, not just financially, but in all other respects for their graciousness in coming here to help us with the development of the Ontario and Canadian economies." I suspect that something like that same tone will be set by the Prime Minister and those that follow him at the conference on foreign ownership to be held next week.

Mr. Yakabuski: What does the member see at the Waffle conference?

Mr. Peacock: A complete contrast, I say in answer to the member for Renfrew South, and one that will follow four-square the policy position of the New Democratic Party as set down last October, when it elected the member for—

Mr. Yakabuski: Yes, the shouting of radicals.

Mr. W. Hodgson (York North): Gratitude to anybody!

Mr. Peacock: —Scarborough West its leader. And that is a policy position, Mr. Speaker, only a small part of which is reflected in the resolution here this afternoon before us. The much broader aspects of that policy which the member for Renfrew South will hear about next week include such things as a foreign takeover review board.

Mr. Yakabuski: You are going to have to disclose your love affair this week. That has been going on behind the scenes.

Mr. Peacock: So the disclosure that really ought to be made is the disclosure of the extent to which foreign interests already own the Ontario economy and the extent to which they propose to acquire further interests in it should they come into the

province to take over. What did we know in advance of the takeover of Canadian Oil by Shell a few years ago? Who told us, except after completion of the deal, that Canadian Breweries had been acquired by Rothmans? Or that Royal Securities Corporation had sold out to Merrill, Lynch, Pierce, Fenner and Smith? And it was not until the acquisition of W. J. Gage Limited by Scott, Foresman Publishing Company of Chicago and the acquisition of the Ryerson Press of Toronto by McGraw-Hill of the United States that tempers on the other side of this House really began to rise in opposition to the sellout of one honourable, well-established, independent, vigorous Canadian firm after another to non-resident ownership.

Not until that recent point in time, Mr. Speaker, did we hear a word from the other side, and coincidentally it happened during the campaign for the leadership of the Progressive Conservative Party of Ontario. Whatever was said in that campaign, the new Treasurer (Mr. McKeough) and the new Prime Minister chose to ignore the new wave of enthusiasm for direct, effective controls and inhibitions on further foreign ownership of our economy. When the Treasurer brought down his budget, he said in his budget statement on page 26:

A major anomaly of present Canadian tax law is that foreign companies enjoy a tax advantage over Canadian companies in bidding to take over other companies.

He went on to describe how this advantage arises, because foreign purchasers, particularly United States corporations, can deduct the interest costs of funds borrowed to purchase shares in other companies, including Canadian companies. And he went on to declare that as of the date of the introduction of the budget, with the passage of legislation in this House, the Ontario government would remove that restrictive rule insofar as the Ontario Corporations Tax Act is concerned and would free Ontario corporations to obtain a deduction of the interest costs on the money borrowed to purchase shares in other companies from their Ontario taxable incomes. I point out to the member for Renfrew South and the member for Hamilton Mountain that he did not take that opportunity to narrow the new freedom that he was affording corporations in Ontario to those that would be caught or defined by the resolution put forward by the member for Riverdale, those that were truly Canadian-owned or controlled. Every

corporation operating in the Province of Ontario can now obtain the same advantage, an advantage that the motion of the hon. member for Riverdale seeks to restrict to genuine Canadian-owned and controlled corporations resident in this province.

What this means, Mr. Speaker, is that every major corporation incorporated in the Province of Ontario, whether Canadian-owned or controlled or under non-resident ownership or control, can enjoy the same tax advantage.

Let me point out, Mr. Speaker, what has been taking place in the United States under similar tax loopholes that encourage conglomerates to acquire smaller firms and have given a tremendous bias in favour of corporate mergers in the United States.

An article from the conference on the transportation trades of the American Federation of Labour, I take it, entitled "Conglomerates: Concentration, Collusion and Control", February, 1970, points out that of the 18 largest acquisitions by conglomerates during the 1967-1968 period, 14 were tax-free as a result of the tax-free exchange or deferral of capital gains provisions in the United States tax laws.

It goes on to list the 14: US Plywood was one. It has operations in Ontario. McDonnell Aviation acquired Douglas Aircraft. Douglas Aircraft, of course, has a subsidiary operation in Ontario wholly owned by the parent US firm. Mack Trucks, a firm taken over by Signal Companies Incorporated, operates in Ontario. North American Aviation acquired Rockwell-Standard; Rockwell-Standard has branches operating in Ontario. Studebaker Corporation acquired Worthington; I believe Studebaker still has some remnants of operations in Ontario. Then there is IT&T, which acquired the Rayonier company; IT&T certainly has subsidiaries operating in Ontario, and so does the Sun Oil Company, which acquired the Sunray DX Oil Company. The American-Standard Incorporated acquired Westinghouse Air Brake; and American-Standard, of course, is a prominent US corporation operating in Ontario.

I point out, Mr. Speaker, that all of the companies I have named are probably wholly owned subsidiaries of U.S. parents or are in themselves the U.S. parents of other companies operating in Ontario, and all of them will be able to operate under the provisions of the Treasurer's budget in which he afforded this new tax advantage, the deduction from income of interest on the cost of borrowing to acquire other companies.

I might say, Mr. Speaker, that companies like these with the backing of major international corporations, usually headquartered in the United States, will be able to take most advantage of the new corporate tax laws in the Province of Ontario—not the small, independent Canadian firms, but the large international conglomerate, which has been successfully practising the same merger and takeover techniques in the United States in the modern post-war period. That is going to be a major loophole that the Treasurer and his Minister of Revenue will find or meet down the road with some surprise that, instead of having afforded an equity to Canadian corporations operating in Ontario, they have simply opened the door wider than it already has been opened for the major U.S. and other foreign concerns operating in this province.

That is why that kind of tax advantage must be narrowed in the way in which the member for Riverdale has described and set out in his resolution. Certainly, that is the kind of amendment to our corporation tax laws in our province that ought to be the subject of discussion at next week's conference and not the kind of pious rhetoric recited by the member for Hamilton Mountain and that which is to come from the member for Renfrew South.

Mr. Yakabuski: Mr. Speaker, I want to participate in the debate on the resolution by the member for Riverdale, and I want to say at the outset that at this particular time, I cannot go along with this resolution. That is not to say that in perhaps a year or two years from now I might wholeheartedly support a resolution along this line.

My main reason for not buying it or supporting it, at this time is, I think, because of federal economic policies adhered to and practised over the past few years. We all know that our economy is at a state where we want to do all possible to inject into that economy the necessary stimulants to get it on the road to recovery. This resolution in my mind, Mr. Speaker, would do nothing to forward or promote the aim of each and every Canadian at this particular time.

We know that the matter of economic nationalism is a very, very important one and a very popular one. There is no question about that. It is probably the most important topic to come on the provincial and national scene in the last five years, surpassed only to this point probably by the topic of pollution itself. I feel that there is nothing

wrong with this. I think it is a good thing. I think it is a discussion and a concern that we all should be deeply involved in.

I would want to say too, though, that I think the whole matter of economic nationalism should be removed from the highly emotional climate that we now find it encompassed in. I think we have to look at the whole problem from rational and reasonable eyes. Only in this way can we arrive at the proper decision. For example, a great part of our province depends to a great degree, to a high degree, on the tourist from the United States of America. I think it is sheer hypocrisy to be saying with one side of our mouth, "Yankee, go home," and with the other saying, "Let us have some more of those Yankee dollars." I think we have to be very, very careful in this area.

I have some comments on the matter of the conference that will be taking place shortly, one sponsored by this government, and the other sponsored by the New Democratic Party.

We know that one of the first persons who was attracted to the conference sponsored by the New Democratic Party was Professor Watkins. I am really wondering whether it was the leader of the New Democratic Party or Professor Watkins himself who spawned and hatched the idea to hold a conference simultaneously in an endeavour to steal the show. I have a feeling, Mr. Speaker, that this sortie into—

Mr. Peacock: Sort of rankles.

Mr. Pitman: What about Stephen Hymer?

Mr. Yakabuski: —or this boldness is going to have a very disastrous effect for the—

Mr. Peacock: Hear, hear! Very apt.

Mr. Yakabuski: —New Democratic Party because I am sure it is going to backfire.

I remember that it was just a week or more ago in the members' dining room someone pointed out to me that Professor Watkins was present. The thing that struck me was this, that one of the—

Mr. Peacock: That was sinister.

Mr. Pitman: It really bothers the member.

Mr. Yakabuski: —meekest members of that group had been commissioned, so to speak, to take him quietly into the dining room. I did not see the leader of the NDP with him, I did not see the No. 2 man, so to speak, in

the NDP with him. All the time I was telling myself, "Are they that naive, to have the man within the confines of this building and pretend that they are not associated with him at all?"

Mr. Pitman: What logic!

Mr. J. E. Stokes (Thunder Bay): Is the member suggesting he has no right to be there?

Mr. F. Young (Yorkview): Does the member want to know why he was there?

Mr. Yakabuski: Really, when all this time, and the member for Thunder Bay knows it, there has been a torrid love affair going on between the leader of the NDP and Watkins' economic policies and they are concealing it.

Mr. Young: No. He was here to see me.

Mr. Stokes: The member is off base.

Mr. Yakabuski: As a matter of fact, the NDP members remind me of somebody who is having a secret love affair, they do not want their parents to find out! Anyway in this case, Mr. Speaker, they do not—

Mr. Pitman: So we take him into the dining room?

Mr. Yakabuski: —want the rank and file of the NDP to find out. They know, they know.

Mr. Pitman: He is an officer of the party.

Mr. Young: Does the member want me to tell him why he was here?

Mr. Yakabuski: As a matter of fact, you know, I am a bit surprised at the leader of the NDP. I thought he would be more cautious than that. But I think he has become so desperate that he will try anything.

Mr. Pitman: It was completely open. Completely open!

Mr. Yakabuski: Take, for instance, Mr. Schreyer out in Winnipeg. After the 1968 election, Schreyer had Watkins out there for a while, but he found him to be such a hot potato he kicked him out. The only—

Mr. Peacock: Is that a fact?

Mr. Pitman: I think that is a rather distorted view.

Mr. Yakabuski: —party to have Watkins is the New Democratic Party in Ontario—

Hon. J. Yaremko (Provincial Secretary): And how!

Mr. Yakabuski: It is the only haven he has left, as a matter of fact. Schreyer, the chap out in Manitoba they are so proud of, since his election in June, 1968, has crawled to every capitalist from Thompson to Tokyo, because he knows that private enterprise is the only tool at his disposal to get the—

Mr. Pitman: That is not true at all.

Mr. Yakabuski: —economy of Manitoba going to the degree the people of Manitoba want.

Mr. Stokes: What has that got to do with this resolution?

Mr. Yakabuski: It has a lot to do with this resolution, because this resolution is all built around economic nationalism, is it not?

Mr. Stokes: When is the member going to speak about it?

Mr. Yakabuski: We are talking about it. We are talking about the tax incentives the sponsor of this resolution mentioned and—

Mr. Stokes: I do not think the member even understands it.

Mr. Yakabuski: —I will buy that. I think the answer—one of the probable answers to solving this problem of Canadian ownership and so on—

Mr. Stokes: Is to accept this resolution.

Mr. Yakabuski: —will be in the area of tax incentives. There is no question about that.

Mr. Peacock: Not now.

Mr. Pitman: A year from now.

Mr. Yakabuski: The minute this government extends tax incentives to private enterprise—to make Ontario, to make Canada grow—the NDP say that we are—

Mr. Stokes: It is too new for the member. He will have to ponder it for a while.

Mr. Yakabuski: —subsidizing the magnates just as they complained hard and bitterly in the mining committee about the tax incentives to the mining industry. Now they will not say, "yes" or "no." They say that they are for incentives and then they say they are against incentives. Now, we on this side—

Interjections by hon. members

Mr. Yakabuski: —would like to know just what they want. We would like to know just what they want, but I think they prefer not to know what they want sometimes, just for cheap political purposes.

With that, Mr. Speaker, I have to say, because of the timing of this resolution, I would reject this most emphatically.

Mr. Speaker: This completes the private members' hour.

Mr. Stokes: On that note of irrelevancy!

Hon. E. A. Winkler (Minister of Revenue): Mr. Speaker, I move the adjournment of the House.

Mr. Speaker: There is no adjournment of the House and there is no adjournment of the debate. I believe that the acting House leader has a motion to go into committee.

Does the member for Windsor West wish to speak to that?

Mr. Peacock: Mr. Speaker, before the motion to go into supply is put, could the acting House leader advise the House what estimates will follow Revenue should we complete it this evening?

Mr. Stokes: He does not know.

Hon. Mr. Winkler: Mr. Speaker, I cannot give the hon. member that information at this time.

Mr. Peacock: May I then ask the acting House leader if he will go to bills on completion of the estimates this evening?

Hon. Mr. Winkler: I will leave that to the determination of the House Leader, when we return at 8 o'clock.

Clerk of the House: The 19th order, House in committee of supply; Mr. R. D. Rowe in the chair.

It being 6 o'clock, p.m., the House took recess.

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ONTARIO

Legislature of Ontario Debates

OFFICIAL REPORT — DAILY EDITION

Fourth Session of the Twenty-Eighth Legislature

Monday, June 14, 1971

Evening Session

Speaker: Honourable Fred McIntosh Cass, Q.C.

Clerk: Roderick Lewis, Q.C.

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House Journal of the Twenty-Ninth Congress

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Twenty-Ninth Congress

Twenty-Ninth Congress - House Journal
June 14, 1945

U.S. GOVERNMENT PRINTING OFFICE

LEGISLATIVE ASSEMBLY OF ONTARIO

MONDAY, JUNE 14, 1971

The House resumed at 8:00 o'clock p.m.

ESTIMATES, DEPARTMENT OF FINANCIAL AND COMMERCIAL AFFAIRS (concluded)

On vote 604.

Mr. Chairman: The hon. member for Riverdale.

Mr. J. Renwick (Riverdale): Mr. Chairman, I have one further comment I wanted to make. I was curious to note in a speech made by the hon. Ronald Basford, Minister of Consumer and Corporate Affairs, to the symposium on misleading advertising of the Canadian Consumer Council on December 4, 1970, that in referring to the background of the transfer of the criminal law power from The Criminal Code to The Combines Investigation Act dealing with misleading advertising, he has a comment with respect to the attitude of the then Minister of Financial and Commercial Affairs (Mr. A. B. R. Lawrence) for the Province of Ontario, and I would like to have the minister's comment about it. Mr. Basford said:

In our meetings with provincial ministers and officials consideration has been given to what kinds of behaviour can be most readily dealt with by regulatory action, such as that achieved through licensing power, and what can be dealt with by outright prohibition.

Our experience under section 33(d)—that is the section now of The Combines Investigation Act dealing with misleading advertising—demonstrates there is a great deal of activity in this area which cannot be adequately dealt with by any system other than that provided in the criminal law.

Then he goes on to say:

I cannot agree with the Ontario Minister of Financial and Commercial Affairs that there is no place for this law in dealing with commercial conduct. There are people in commerce who have quite evidently taken a calculated risk in attracting business

through deceptive advertising until such time as the law should catch up with them. For many years they operated in comparative safety, but since the provisions of section 306 of The Criminal Code were transferred to The Combines Investigation Act many of them have at least suspended their operations and others have moved out of the country.

It must also be recognized that a businessman's operations need not be fraudulent in order to do real damage to the market mechanism through misinformation, and to suggest that there is something gentlemanly about this behaviour that should shield it from the application of criminal law is, I believe, either unnecessarily benign or naive.

I have no doubt that there are areas where the criminal law remedy can be supplemented, widened and made more general by application of the regulatory process, and I would be glad to examine any proposal for complementary action to achieve a common goal.

Well my comments are threefold. If the hon. Ronald Basford is correct, is the present Minister of Financial and Commercial Affairs (Mr. Wishart) as benign or naive as his predecessor?

Second, does he agree that while the criminal law is not all of the answer, that nevertheless it is an essential part of any effort to deal with misleading advertising?

Third, what is this government doing with respect to complementary activity in the question of regulation of misleading advertising insofar as it falls into the non-criminal field and falls within the jurisdiction of this government, which I believe in its non-criminal aspect it does?

Hon. A. A. Wishart (Minister of Financial and Commercial Affairs): My first comment, Mr. Chairman, would be that I think Mr. Basford has questioned his own views to some considerable extent since he made those comments.

As his speech in Halifax the other day indicated, he is moving to a very considerable degree to a new approach in the combines

investigations field and the action that can be taken in respect to combines and competitive fields of merchandising and agreements between competitors not to allow competition.

He has indicated he is going to set up, under legislation at the federal level, a very expert and comprehensive committee to examine all these areas, including advertising, not only of business but as he said of the professions, service industries and so on—and to move in that way to give that committee wide powers to control, regulate and assert; to give it investigative powers to deal with a situation which I think he has found cannot be really adequately dealt with under the criminal law approach.

I think it is apparent to anyone that within the criminal law you have to prove a crime, you have to prove an intent, a criminal intent. Not necessarily in every case, but a breach of the law which says a certain act is a criminal offence is not often enough by itself; you have to prove, generally, some intent to do something wrong. Under criminal law, therefore, it is very difficult to carry through to the point of conviction, so that you can punish.

Once a certain fact is prosecuted and you cannot sustain or obtain a conviction, it leaves the field pretty wide open. But in a civil law approach, well you can safely regulate the body, you can look at the advertising, you can restrain it and say we will not allow that. This sort of thing is associated with licensing or some other feature. You have much wider powers; you do not have to go to court, and you can have a much more effective way of dealing with it.

I do not think that the Minister of Financial and Commercial Affairs to whom Mr. Basford referred was naive at all. I think he was quite wise in pointing out to Mr. Basford that his criminal law approach was not adequate. And that leads me to the other thing that we were doing, and are doing, in the province by way of a civil approach. Still with the backing of the right to prosecute for fraud, we are doing a regulatory approach to advertising, checking advertising, calling in to question if it is misleading and requiring that it be not published, that it not be used. Someone suggested the other day that we might go further. I think it was the member for Hamilton-Wentworth?

Mr. I. Deans (Wentworth): It was Wentworth; simply Wentworth.

Hon. Mr. Wishart: Simply Wentworth—that we might get the proofs of the adver-

tising that is proposed in our hands before it is published and pass upon it there.

Mr. Deans: Oh I did not suggest that.

Hon. Mr. Wishart: Well something of that nature.

Mr. Deans: Yes; you have said that two or three times. I did not suggest that.

Hon. Mr. Wishart: I stand corrected if that was not it. I thought you wanted us to look at it before it appears.

Mr. Deans: No, I said that advertising should relate directly to the product rather than some fanciful thing.

Hon. Mr. Wishart: Oh yes, well someone did suggest we might well look at it before it was published. I think that would be very difficult administratively. I think it would be an extension of government into a field of commerce that perhaps we could not sustain.

I think we have a fairly salutary effect in the way we approach it now as we check down on the persons who are using advertising which is misleading or so full of puffiness that it does mislead or attracts people into bad bargains.

So I think Mr. Basford has changed. I do not think we were naive. I think Mr. Basford's recent announcement of his new approach proves that he has come around to a different way of thinking. I think there are still things we can do in that we can improve what we are doing.

Mr. J. Renwick: Mr. Chairman, I take it then that the minister's basic power, with respect to advertising, is grounded upon and based in that provision of The Consumer Protection Act; that is the basic area within which the province deals with misleading advertising.

Hon. Mr. Wishart: That is right.

Mr. J. Renwick: If that is then correct, would the minister tell us how many orders the registrar made under section 31—and I am asking specifically for how many orders; not that there is so little misleading advertising in the province that everything can be done without making any orders.

Hon. Mr. Wishart: I will see if I have that.

Mr. J. Renwick: Thank you.

Hon. Mr. Wishart: I do not have the figure, but I can get it. I will have it for the hon. member shortly

Since he refers to section 31, perhaps I just might, for the benefit of the House, say that that section reads:

When in the opinion of the registrar, any sellers or vendors make false misleading or deceptive statements in any advertisement, circular, pamphlet, or similar material, the registrar may order the immediate cessation of the use of such material and any such order is subject to review and appeal in the same manner as an order respecting registration made under part 1".

I read that because I want to go on with another point. It is apparent that under that section there is just the power for a registrar to refuse to allow the use—to order the cessation of the use of that type of advertising—

Mr. J. Renwick: Which tends to be almost criminal in its prohibitory powers.

Hon. Mr. Wishart: That is right. It is pretty severe penalty in a way, but then where the penalty really lies is that if someone then ignores the order and uses that advertising, then follows section 32 where: "Every person who contravenes this act, or the regulations," and so on, "is guilty of an offence, and on summary conviction, liable to a fine of not more than \$2,000 or to imprisonment of not more than one year, or both." So that reading 31 alone you would say: "Well, what can your registrar do except order that the advertising be not used".

Then if someone contravenes it, he is in to a really serious situation, where he can be fined or put in jail. So we have a fairly firm approach, I think, to this thing.

I welcome the action of The Minister of Consumer Affairs at Ottawa, if he will give that committee the powers which he suggests he will and if it is so staffed and so chosen that it will have competence and will be constantly on the job of supervising that area.

Mr. J. Renwick: Mr. Chairman, I only have two brief comments. I know we could go on talking about it indefinitely.

The two comments I want to make are, first of all, I do consider section 31 of The Consumer Protection Act which the minister has just read as being in the nature of a regulatory scheme. I consider that, for practical purposes, to be almost synonymous with, par-

ticularly the reference to the heavy penalty, with an exercise of a criminal or a quasi criminal power.

Hon. Mr. Wishart: I think I agree.

Mr. J. Renwick: Therefore, I would be inclined to think that if it could be proven to be a contravention of section 31 of The Consumer Protection Act, by and large it could probably be equally well proved an offence under section 33(d) of The Combines Investigation Act. Therefore it leads me to the conclusion that for practical purposes, both you and Mr. Basford are speaking about something in the nature of criminal or quasi criminal action.

My question, I am putting it, perhaps as a rhetorical question because we could go on much too long about these things, is that it would appear to me the province really has no basic intention of propounding a regulatory scheme for regulating or setting guidelines for or establishing some kind of a method for the overview of the advertising which goes on in the Province of Ontario with a view to its regulation other than in terms of the punitive aspects with relation to prohibition in The Criminal Code.

And the second point I want to make is—

Hon. Mr. Wishart: Mr. Chairman, before the hon. member moves on to the second point, could I ask him what he entertains as the idea of regulations? Is he talking of regulation of advertising before its appearance? Here we have a section which says, if you do not like it, if you think it is misleading, or deceptive, we can say, do not use it, and at that point it is stopped.

We gain one result there, and the public is not deceived or misled.

Then if it is used, we can punish.

What does the hon. member have in his mind when he speaks of regulatory? I would like to have his thinking on that point.

Mr. Renwick: I think there are two distinctions that immediately come to mind. One is the obvious question, do you do it before or do you do it afterwards?

Hon. Mr. Wishart: How do you do it before?

Mr. J. Renwick: I suggest you rule that out. If the province were to give consideration, if there was legitimate public interest to be served by giving consideration to putting into effect a regulatory scheme in the field of misleading or deceptive advertising

of one kind or another, then it would appear to me that, certainly in the initial stages of it, I for one would not agree to it being done in advance. I think it would have to be done afterwards.

So that is the first initial distinction I would make. I think that any endeavour by government to intrude on what can or cannot be published or said and so on in advance of it being said, borders much too much on censorship, regardless of the belief in the legitimacy of it. I think that the overriding right of freedom of expression or freedom of speech within the limits of the criminal law should be preserved.

I think, however, that it would be possible for a department such as the minister's, say at the end of a one-year period, to have an overview, for example, of all the advertising in the Province of Ontario.

It could take, for example, the chartered banks in the field of personal loan inducements or the finance companies in that field; or the trust companies in such and such a field; or of the real estate business in promotion through its own self governing bodies of real estate transactions—it would be possible, it seems to me, to devise or conceive a public body that would oversee that, that would have the right to exchange views with members of the industry and members of the public, as to whether or not by and large the particular thrust of a particular advertising campaign over a period of time was such that its cumulative effect amounted to something which was misleading or deceptive or contrary to the public interest.

I can see something like that being a regulatory scheme. If it is not going to be that kind of thing, then I think the minister would be well advised to abdicate his power under section 31 in favour of The Combines Investigation Act approach, which would include an order of prohibition. But again I throw it out for what it is worth.

My second comment is that if the minister is going to give serious consideration to advertising, I do not think he can continue to restrict it to advertisements, circulars, pamphlets or similar material. I think the impact of radio and television is at least as great—perhaps in other people's minds more effective, more impressive or more damaging, depending on the attitude that one has to it—than perhaps the printed media. And my interpretation, certainly, of advertisements, circulars, pamphlets or similar material would mean that in no way can the government make any order, or deal in any way

with deceptive or misleading advertising through the radio or television.

I do not happen to be one of those who believes that because the power over radio broadcasting and television is in the federal government in certain of its aspects, this government has no role to play with the impact of advertisements by the television media or the radio media in the Province of Ontario. There would be a legitimate authority under a valid regulatory scheme for an enlargement of the words of that section.

Hon. Mr. Wishart: Would you think the provincial government could enlarge that section 31 over radio and television and not have its jurisdiction very quickly and definitely questioned in the field of communication? My own offhand thought is that it has been made pretty clear to us that the federal government reserves jealousy to itself that field. I think that was the reason this section was limited, as it is, to what are really dependent words.

I am not sure, but I have some doubt as to whether we could control television and radio advertising. Certainly, if we did attempt it—if we were entitled to do it, jurisdictionally—we certainly could not touch the station on the borders of the province, whether it be in a foreign country or not. And, of course, that type of advertising can flow for miles across other states and other lands and flow into our country.

I doubt if we have the authority, to begin with, and I doubt if it would be very effective if we did.

Mr. J. Renwick: The only distinction that I would make is that it may well be we would not have any particular jurisdiction to deal with the specific radio station, or the specific television station, but the advertisements which are put forward through the media which have any impact, if they have a misleading, deceptive or other quality about them, are all sponsored by certain individual corporations, many of whom are within the jurisdiction of the Province of Ontario. It would seem to me that, whether or not—and indeed, when I was thinking about advertisement circulars, pamphlets or similar material, I was not thinking about action by the government against the press as such. Nor was I thinking about action against individual television or radio stations. What I was thinking about was the persons who pay for the advertisements and

who sponsor the advertisements in a planned advertising campaign.

I would think this government could assert the same kind of general regulatory scheme. Whether or not a particular company chose to use the printed material, radio or television, for the purpose of carrying on an advertising campaign, or a combination of all three. A properly devised regulatory scheme would bring those sponsors within the jurisdiction of this government.

Mr. J. B. Trotter (Parkdale): Mr. Chairman, I was hoping that just before we leave this vote I might get in a word or two and express my hope that the government in the near future, by means of consumer protection, would lower the boom on some of these so-called dancing schools which we have, particularly in the larger cities like Toronto and Hamilton.

I have had a number of people come to me with these contracts where they have actually gone so far as to pay \$2,000 in advance. I had this happen just this past week. I have seen many contracts over a period of time. They are legal—it is almost impossible to prove that they are not.

These dancing schools, like the Arthur Murray and the Fred Astaire schools, and the Rendezvous, which is doing very well in a business way in Toronto, get these people who, by and large, Mr. Chairman, are very naive. They are on the whole very decent people; I also think they must be lonely people. They must believe they are going to be able to dance like Fred Astaire and then have all kinds of friends around them.

The vast majority of them do not have a lot of money. I made inquiries of a man who recently forked over \$2,000 and certainly he was not the type of individual that could afford to hand that over. But these people who go to these dancing schools see the ad in the paper where lots of friends come to a party. Maybe they have one free lesson and they get them into that office of theirs and they high-pressure them into signing a contract.

These contracts are extremely difficult to break unless a lawyer, by luck, finds a technicality. The person who signs that contract is stuck and the people that run these dancing schools are so expert in their work they seldom make a technical mistake.

Mr. Chairman, the time is long overdue for the government to move in and not only regulate their advertising, but they should exist only by way of a franchise. I do not

think that anyone should be allowed to carry on a dancing school unless they are licensed by government.

Years ago the local dancing instructor was usually a friend of everybody in town; you probably would know the local dancing instructor. But today it has become a racket and, unfortunately, when you have the big operator move in, it means that everybody has to be licensed. I am one who does not like government moving in on everything, but the only way I can think of exempting the small person who is operating a local dance school is to say that they are limited to 20 pupils. Something in that regard would keep the neighbourhood teacher out of the clutches of having to get a government licence.

But so often these dancing schools are not only milking the public, they are often the centre for other activities as well. I think it would be well for us to inquire who controls these schools. We know it is not Arthur Murray and it is not Fred Astaire; they just sold their names.

These people have been famous people and they are well respected. They are not racketeers, but their name is being used and it is even beyond their control to do anything about it. I think it is high time that this government stepped in and licensed these people and, in some cases, put them out of business. I would like to ask the minister, Mr. Chairman, if they contemplate any action in the immediate future to go after these racketeers.

Hon. Mr. Wishart: Mr. Chairman, I had not given thought to this, I must confess, with the view of action. The hon. member's suggestion is certainly one that I shall take under consideration.

He speaks of licensing. Perhaps that is a way of approaching it. What gives me some pause to think is if you license, as he says, you are entering another area of business. You are setting up an administrative body to license, and I presume that entails some investigations, and some control.

Take the case he cites where a man pays \$2,000 on a contract to take so many dancing lessons. On the face of it, I suppose, there is nothing wrong with that.

Mr. Trotter: Just illegal.

Hon. Mr. Wishart: If you license that dancing school, or those people who run that school, how would you, even under licence, prevent the making of what would appear

to be a legal contract? It is conceivable, I suppose one could argue, that if there were enough lessons over a period of time the man might very well get, should he live long enough, his value back for the \$2,000. I do not know.

What I am really saying is that I see some administrative problems in the criteria you lay down for what is a proper school to be licensed. Without almost daily supervision of the type of contract they write, how would you stop the happening of the very case the hon. member cites?

You say, "Yes, you are licensed. You have proper facilities; your people are qualified, they are skilled." You say then they are not to write a contract to extend beyond a certain period of time, or certain amount of money, without the approval of the department. Perhaps that could be accomplished.

But I see the seriousness of it. At the same time I see some administrative difficulties in the way. I will certainly give it consideration and, maybe, we can come up with something that may serve to prevent what I know are abuses in this field.

Mr. Trotter: Mr. Chairman, I know there are technicalities in all these things. But suppose there is a contract for, let us say over \$200; they should have the right to cancel it within a period of two or three weeks. You have in fact been able to solve the door-to-door salesman problem. I do not get nearly the complaints about people signing contracts for magazines I used to get since you changed the law and gave the people—what is it, 48-hour cancelling period?

Hon. Mr. Wishart: Cooling off period!

Mr. Trotter: Cooling off!

Hon. Mr. Wishart: Two days, or three days.

Mr. Trotter: That used to be a real racket where groups of magazine salesmen, would hit a town, sign the contracts and then be gone and the people were stuck with a promissory note. There have been amendments. It was not until there were a number of complaints in this Legislature and the storm was raised that the law was changed.

The use of the dancing schools is not as widespread as the magazines, but the money involved is a far greater amount. This has gone on for a very long time, and I had understood from what your predecessor had said that they were going to take some action in regard to the dancing schools.

This is why I had expected a more positive answer from the minister. But the only immediate alternative is if these people could make a complaint to the consumers' bureau and give some of these schools some adverse publicity that they certainly have coming to them. The fact is that if they know that they are going to be exposed in some of these contracts the publicity may act as the policeman.

I really think that the government has got to take stern action and move in.

Mr. Chairman, I have just one more item on this matter of licensing that has been kicked around by this government for years, and that is the matter of hearing aids. That certainly is a matter of consumer protection. Some time ago I complained about the high cost of hearing aids and, in some cases, of what was a sheer racket. There were some people selling hearing aids that simply did not work. They were going anywhere from \$400 to \$1,000 a hearing aid. Unfortunately, when someone like myself stands up and complains publicly, it also hurts the legitimate dealer in hearing aids, the man who is selling them, whether he is going from door to door, or has a store. There are many of these people who carry on a legitimate business.

After there is a storm and a number of complaints are raised, one of these men told me—and he was a legitimate hearing aid salesman—that for a while it cut his business by 50 per cent; so the legitimate dealers got together and asked to be licensed. In other words, the men who were turning out a decent product and offering a competitive price—if there is such a thing for a hearing aid—asked to be licensed.

A former Minister of Health, the member for Ontario (Mr. Dymond) was going to do something. The former Minister of Financial and Commercial Affairs (Mr. Rowntree) was going to do something. Then another former Minister of Health, the present Minister of Social and Family Services (Mr. Wells) I think was going to do something. This has now gone on for nearly six years. I would like to know what, if any, action is the government going to take to license hearing aids, not only to protect the older people who are overcharged, but also even to protect the legitimate dealer who is selling hearing aids.

Hon. Mr. Wishart: Mr. Chairman, I recognize there was, as the hon. member said, quite a problem some time ago in this field but the hearing aid people, the people who

manufacture them, got together and formed a hearing aid association. Any complaints that we receive, which I must tell the hon. member are now few and far between, are dealt with by them. They deal with them entirely. Every complaint is dealt with, and we have found that of recent times, there is very little that has been found wrong in the sale and distribution of hearing aids. The products on the market are of good quality. The poor ones have been knocked out. The hearing aid association has policed its own industry itself with very good effect. If we find that situation does not continue, or for any reason it has deteriorated, we could move in; but we have to do it in some sort of general legislation, I think, possibly by licensing certain people. Again, we would face the same obstacles as to the criteria in administering a certain industry. Through the assistance of the hearing aid people themselves, I think we have been able to beat the troubled area in that field; they are very active in policing their own industry. We have thought it was a health problem. I think I would have to be frank to say that the present Minister of Health (Mr. A. B. R. Lawrence) has said: "No, we do not see that it is our problem any more"

Mr. Trotter: Mr. Chairman, if you are a doctor, a lawyer, a plumber, a dentist or a barber, you have to be licensed. I think anybody today could go out and sell a hearing piece; after all, our hearing is one of the most important assets we have. I know some of these fellows who have been selling hearing aids just have no training. They had better read a few books, but there is no licence for them. Surely there should be some control.

I am amazed that The Department of Health does not think it is a health problem because heaven knows how many fellows, even if they were well-meaning, have sold somebody the wrong type of hearing aid. I know some of the men who sell hearing aids will not sell one unless a doctor has prescribed one. This is since the uproar took place in this Legislature and cost them a lot of business.

But still it is not the law, and there is nothing today to stop the same racketeer who started up business not too far from my law office and then sold a lot of hearing aids that did not work. He moved to Hawaii and then came back here and located away up Yonge Street. There is still really nothing to stop that fellow.

I think it is very foolish and extremely weak on the part of the government to sit back and leave a field such as this wide open to any racketeer from a business point of view; and from a health point of view I think it is a very serious matter.

I know the minister may say: "Well we will look into it." The trouble is that it is so typical of the government; they looking into these things and do nothing.

Hon. Mr. Wishart: No, it is not just a case of saying we will look into it. But if the hon. member is suggesting that my Department of Financial and Commercial Affairs—and I think the title of the department indicates its area of concern, financial and commercial—

Mr. Trotter: It is consumer.

Hon. Mr. Wishart: When you talk about hearing aids, if you are going to ask me or my staff to license a hearing aid salesman, on what basis do I license him? This is the point where I say there are administrative problems, problems of the criteria. Strictly speaking, in my view, I should not license a man because he comes in off the street; he may be well-educated, he may be honest, and he may be industrious and of good character. But what does he know about a hearing aid, and why should I license him?

I do not want to get into an argument with my colleague, the Minister of Health, but in my view, if he is to be licensed at all, I do not want to put my seal of approval on him as a salesman because that is not the point. He could be a poor salesman or the greatest salesman in the world; it does not make him any more competent in selling a hearing aid, because that to me is a problem that requires very high expert knowledge of the whole business of hearing and the various defects that can arise in hearing, whether it may be one thing or another.

I think it solves nothing for me when John Doe comes in and says, "I want to be a hearing aid salesman"—I just do not feel I have any business licensing him. I think I certainly would have to set up some sort of medical criteria, some sort of medical expertise, to see what he knows, or else set up a training school to train him, and that is why I say as soon as you ask me to license these people, it is not just that simple.

I have to do more than that if it is going to come to Financial and Commercial Affairs where I do not think it belongs really.

I do not like to pass the responsibility over. I do say we have the hearing aid people together. They are very good at disciplining their people. If we do get a complaint they go to the mat with it, and they pursue it and we have not had many complaints of late because of their activity. They are very thorough but the competence of the salesmen, to me, is a thing that I have no means in the financial and commercial department of determining.

I can license a used car dealer or a real estate man, because we train them. We require them to pass exams; but I do not think I have competence—certainly not at the present in a financial and commercial department—to deal with something that is beyond finance and commerce. It is something that verges on a very technical field of medical knowledge. That is what I am saying, that I find it difficult to promise the hon. member that I can do something about it. Certainly, what I would do, I think, beyond just saying I will look at it, would be to take it to my colleagues and say, "Look, here is my view, I cannot handle this in financial and commercial affairs alone, unless we have a joint effort or some other department which I think is really more fitted to take it on."

Mr. Trotter: Well, Mr. Chairman, I would agree with the minister that it should be The Department of Health, but the reason why I address this question to you is because originally when this matter came up, it was the Attorney General who dealt with it.

There was a prosecution involving one particular man. We then went to the Minister of Health and said: "Would you license these people?" and the present member for Ontario (Mr. Dymond) said: "Yes, we will license it." Then for some reason they changed and the member for York West became the minister of Financial and Commercial Affairs and he says: "No, that is his jurisdiction."

Now the government was arguing this, not us. We just want you to do something.

And then the now Minister of Social and Family Services (Mr. Wells) became Minister of Health, while you fellows were playing musical chairs over there, and he said he was going to do something about it. Then he answered one question saying: "No, that is really Financial and Commercial Affairs." So he forgot about it and went on his way and now we are back to you; and in the meantime they have played volleyball back and

forth with this thing and nothing has been done.

Now I want to say to the minister, through the chairman, that if you really want to do something, you can bring it up in cabinet. Or if you have decided you are really going to do something about the price and the value of hearing aids, this is a product your department could do something about if it wanted to.

I would prefer health standards be set up, but surely to goodness the government can decide. But this is so typical the way you kick it back and forth. In truth nothing has been done, and from what I have heard from here, I anticipate that nothing will be done.

Hon. Mr. Wishart: Well I am going to ask the hon member not to be quite so pessimistic. I think he will see some accomplishment. As I say, he knows I have come to this department recently.

I would also tell him further to what I have said already, that in our Ottawa Dominion-provincial Conference last month, the Federal papers which were presented to that conference by Mr. Basford had this to say about hearing aids—which we spent some time discussing. The federal position was that they have undertaken two programmes concerning hearing aids.

One, to provide information to consumers on how to seek advice with regard to a hearing problem; that is the steps that should be taken when considering the purchase of a hearing aid. It is an informational educational programme.

Two—this is the federal undertaking—the drafting of regulations under The Food and Drug Act requiring that each hearing aid sold in Canada—this is a Canada-wide programme—be accompanied by a statement of its performance and characteristics.

Now that would go a considerable distance in informing people. The second thing is that they will be passing judgement on the item, the article, as to its performance and characteristics.

This is not just for Ontario but for the whole of Canada and I think a fair, good step in the right direction. Perhaps there is something more we can do but at least The Consumer and Corporate Affairs Department at Ottawa have moved to check the article, so that at least you will get a good product with certain characteristics which will be set forth with respect to it when it is offered on

the market and sold. Some progress is being made.

Mr. Trotter: Despite that legislation, Mr. Chairman, no matter how stupid a person is, no matter how little they know, no matter how little education, no matter how unwashed they might be, they are still qualified to sell the hearing aid.

Mr. Chairman: Is vote 604 carried?

Vote 604 agreed to.

On vote 605.

Mr. Chairman: The business incorporations programme. Perhaps we could consider this vote in total. Agreed? The member for Wentworth.

Mr. Deans: Thank you, Mr. Chairman.

I want to raise a matter on behalf of one of my colleagues. He asked if I would do this since he was unable to be here this evening. In fact, I am sure the minister upon hearing it will be happy that he is not here. He might be able to raise it much better than I can. I am not sure that I can get all of the proper feeling into the matter, but I am going to try really hard.

Interjections by hon. members.

Hon. Mr. Wishart: You do very well.

Mr. Deans: I raise this on behalf of the member for High Park (Mr. Shulman). He would have done it himself except that this particular vote—

Mr. T. P. Reid (Rainy River): There is not much difference.

Mr. Deans: —may go on at some great length.

Mr. T. P. Reid: Just pitch your voice a little higher.

Mr. Deans: Maybe I could borrow yours?

Anyway, the member for High Park asked me to read this into the record and to ask the minister if, perhaps, he would comment on the following matter, so on his behalf let me say:

All parties in this Legislature have given at least lip service to the protection of Canadian shareholdings from US takeover, and both the Legislature itself and the committee on law agree to affirm the rights of Canadian shareholders to keep their holdings in Ontario companies if they

wish to do so in the event of a takeover by an American firm. Despite this, American corporations are coming into this province and are thumbing their noses at the intentions of all the legislators.

A recent example which I have personally experienced was carried out by an unscrupulous US firm, Robin Hood Mills. For many years Bick's Pickles, a Canadian corporation, carried on business in this province and had many Canadian shareholders.

Last year, most of the shares in Bick's Pickles were purchased by Robin Hood Mills, but five Canadian shareholders decided to retain their holdings in Bick's Pickles, and rejected the offer by Robin Hood Mills. Two of these were individuals living in southwestern Ontario; two were Torontonians, and the fifth was a small Canadian company, in which I have an interest. [I being the member for High Park, since I have no interest in any Canadian company.]

The response of Robin Hood Mills was to use a provision of The Corporations Act which was intended for entirely different purposes to completely wipe out the holdings of the five Canadian shareholders. Section 52 of The Corporations Act says: "In case of the re-organization of a company, fractions of a share are not to be registered."

The purpose of this section is purely and simply to simplify the keeping of a company's books, so that shareholders are not registered as holding for example, 40⅓ shares, but instead would show their holdings as 40 shares. Robin Hood Mills, however, used this section in a way that allowed them to completely wipe out the minority shareholders.

What they did was to merge Bick's Pickles with a number of other small companies which they owned outright. In the terms of the merger it was stated that for every 95 shares of Bick's Pickles that shareholders held, they would receive one share in the new company. The joke, however, is that none of the shareholders held as many as 95 shares, and so none of them ended up with one full share.

Instead, they received a fraction of a share which the company refused to register, using section 52 as their excuse. This means that all the minority shareholders' are now wiped off the books of the company, cannot receive annual reports and

may not attend annual meetings. In effect, they have lost all of their rights.

There is one simple word to describe the whole matter—theft. I approached the Minister of Financial and Commercial Affairs and related these facts to him. The cure is very simple. Just amend section 52 to require the fractional shares be registered in such circumstances. I strongly recommend that the minister take such action immediately to prevent such similar incidents in the future.

And that is the end of the statement that the member for High Park wanted me to raise with you.

I wanted to say though, that upon reading it and having looked into the matter since the time that he requested that I do so, I cannot help thinking that the move that was taken by Robin Hood certainly is not within the intent of the Act. It may well be within the Act in the legal intent, but it certainly was not within the moral intent of the Act.

There is little question that that section of the Act was never intended to be used in this way. And, in fact, it would be a simple matter, I suspect, to pass a regulation or to amend the Act to ensure that in an event such as this, where there is a takeover or a merger, and particularly where it affects a foreign-dominated company, that any portion of a share ought to be registerable and, in fact, ought to be registered.

I ask the minister if he would, for the record, indicate whether he would agree with the member for High Park and myself that what took place in this particular incident; we do not want to see happen again.

Mr. E. Sargent (Grey-Bruce): On a point of order, when I left he was speaking last week and he is still speaking.

Mr. Deans: There is something interesting in what he says. When he left last week. It shows how often he is here.

Mr. Sargent: Today is only Monday.

Interjections by hon. members.

Hon. J. W. Snow (Minister without Portfolio): The best speech the member for Grey-Bruce ever made.

Mr. Sargent: I thank the minister.

Mr. Deans: Anyhow, I just want to say I would like to know from the minister whether or not he contemplates a change

of this nature and whether it would, in fact, be retroactive, affecting all of the things that have taken place in this particular merger and others that have affected Canadians in the last few months.

Mr. P. J. Yakabuski (Renfrew South): That red tie is ruining your group.

Hon. Mr. Wishart: Mr. Chairman, I appreciate the member for Wentworth bringing to my attention this matter on behalf of the member for High Park.

I should tell the members that on May 19 the member for High Park wrote me at length about this matter and retailed the situation of Robin Hood Mills and Multi-foods Limited. We replied to him on May 28, after we considered the matter.

In his letter of May 19, 1971, he did have a paragraph saying:

I therefore request that you consider the possibility of taking proper legal action against Robin Hood Mills; and in any case request that you bring in an amendment to the Act requiring fractional share certificates be registered by a corporation when requested by the holder.

There is no question of legal action. There is nothing illegal in the act done by Robin Hood Mills, so that request could not be complied with.

The other thing is that our Act, curiously enough, did provide, on the recommendation of the legislative committee—our own legislative committee on company law last year decided when the rights of minority shareholders were discussed in some detail—I am reciting from the member for High Park's letter—and by a vote of eight to one in that committee, it was decided that companies should not have the right to buy in the shares of minority shareholders against their will, but they did not have to register fractional shares.

What I did, in response to his request that the Act be amended, I could refer the matter to our committee on company law, which I think is the proper place to get advice, and in my letter to the member for High Park, I told him of that on May 28:

Areas of law that the select committee of the Ontario Legislature on company law has not yet been able to examine and make recommendations upon, are the law of shareholders' appraisal rights, as represented in section 100, which is substantively the same as in the previous Corporations Act.

Now, they have not examined that or made any recommendation upon it, and I went on to say:

In the law relating to fractional shareholders—

which is another thing that had not been examined or reported upon

—I am sending a copy of your letter to the select committee on company law with the request that it examine voting rights for fractional shareholders under circumstances where shares are consolidated and make recommendations.

So in short my answer is, I have asked the most competent body I know—our own committee—to examine this matter. They have the whole story as related by the member for High Park and my letter of May 28 to the hon. Gordon Carton, as chairman of the select committee on company law, went forward on the same date with this material. So I shall soon have some response, I trust, and perhaps we can amend the law.

Mr. Trotter: We have not sat in months.

Mr. Deans: I just want to ask the minister for my own satisfaction—

Hon. Mr. Wishart: We have not what?

Mr. Trotter: The committee on public law has not sat for months, and probably will not be.

Hon. Mr. Wishart: I know—

Mr. Trotter: We have been dealing with credit unions.

Hon. Mr. Wishart: I trust it is not through with its work, and will sit.

Mr. Trotter: It will be news to me if they ever get around to that. I should be amazed. I would doubt if they will ever sit again. Not under this government anyway. But they are dealing with credit unions and co-ops, that is what they have been dealing with.

Hon. Mr. Wishart: I know. They have produced certain reports, one very recently, but they have not finished their work, they surely have other things to do.

Mr. Trotter: It will be years before they get around to that, if that is where you are sending it.

Hon. Mr. Wishart: Well, I may have to move myself on it, but I thought I might get some assistance there.

Mr. Deans: The member for Parkdale has sort of pre-empted me to some extent.

I was going to ask the minister whether he had set any time limit on receiving the information he was seeking. Every day we read in the paper of takeovers, they are becoming apparently more prevalent at this particular point for some reason. There seems to be a fair degree of takeover by interests outside of Canada.

The conditions that now exist using this particular section of the Act would lead me to believe that it would be possible for companies in a merger or takeover to set the number of shares, per share to be granted, at such a level as to exclude a great number of the smaller shareholders if they so desire, and eliminate them from their rights. And in the interests of ensuring that Canadian shareholders are protected, I was hoping that the minister might be able to indicate that he would urge the committee to make a recommendation very quickly in order to deal with this matter before the end of the current session, if possible.

Hon. Mr. Wishart: Mr. Chairman, two things I would say. First of all, what the member for High Park was talking about was a fractional share; less than one share.

Mr. Deans: It was originally one share, it becomes a fraction only in the merger.

Hon. Mr. Wishart: Right. He had a small number of shares in a small company.

Mr. Deans: Yes, you required 95 to get one share.

Hon. Mr. Wishart: Yes, And in the exchange he ends up with less than a share.

Mr. Deans: Yes.

Hon. Mr. Wishart: Now, I am not going to deny the value of a fractional part of a share; I realize he has an interest, and an interest in the new company in which he gets the fractional part. But surely, weighed against all the shares that were exchanged, one cannot really put a great deal of voting value, or policy control, on a fractional share.

So I am not saying that there is no problem, and that the fractional shareholder should not be recorded and get the annual statement and all the rest of the material which the company is required to disclose, but it is not a major problem.

The other thing I wanted to say, is how soon I will be able to act. I return to the

member for Parkdale and point out to him that the credit union report was presented several months if not nearly a year, ago by the committee. The recent one was on co-operatives, and I do not think that the committee has surely finished its work. Now, if it appears it is not going to be able to deal with this matter soon, I will take it under consideration myself and perhaps make a recommendation that somehow or other the rights of the fractional shareholder be recorded and placed on record so that he will be able to take some part in deliberations of shareholders meetings of the company.

Mr. Trotter: The chairman of that committee, Mr. Minister, is now Minister of Labour.

Hon. Mr. Wishart: A new chairman may be necessary.

Mr. Trotter: He is in labour, and he will have more luck bringing forth quintuplets than getting around to what you have—

Hon. Mr. Wishart: I understand.

Mr. Trotter: They will not meet again. There is no hope at all. At least I do not think so.

Mr. Chairman: Member for Essex South.

Mr. D. A. Paterson (Essex South): Mr. Chairman, I wonder if I might ask the Minister of Financial and Commercial Affairs a question in regard to safeguards to the public in relation to charitable foundations. I assume they must come under the terms of reference of this particular branch.

The reason that I ask this question is that a week ago Saturday a charitable foundation was doing canvassing in my home community and some alert citizens drew this problem to my attention and to the municipal authorities. Also I noted an article on this same foundation in the media of Friday last and it is before the courts so I assume it is sub judice. Should I name the company? I do not think it is necessary. Is any reporting necessary through to the corporations branch as to the activities of such a foundation? Should it be necessary for a foundation of this type to have an advisory committee in relation to its work, or a broad board of directors, rather than a very limited group of officials as, say, in the case of this particular one?

Hon. Mr. Wishart: Mr. Chairman, that charitable organization, to which the hon. member refers, I think as he is aware, is in the courts—

Mr. Paterson: That is right.

Hon. Mr. Wishart: —for what is alleged to be a wrongful use or expenditure of a large amount of money on administrative costs, a very extravagant amount. They do come within our department. They come under The Corporations Act and, to that extent, we have some control or regulation of them. I think that particular company is in court as a result of what we discovered, but as to the hon. member's question, should we have more—

Mr. Paterson: I just wonder if—

Hon. Mr. Wishart: —regulatory power or not?

Mr. Paterson: —they have to report in their annual filing details of this nature. As to whether there should be an advisory committee, I know on other charitable institutions, they usually have a broad perspective of the public sitting as an advisory committee. It appears to me in this case that they have not had and it has been a very narrow group. It lends all charitable foundations somewhat suspect, and it is a shame because most of them do very, very good work.

Hon. Mr. Wishart: We may have to look at the Act. It seems to me in this Legislature earlier this session we incorporated one charitable foundation which I recall. That was the Thunder Bay one which went through this House a very short time ago. I am just not sure what the hon. member is looking for, but I think I am sure what it says in that piece of legislation. I remember the names of the actual shareholders and those who would constitute the board were named in the bill. But perhaps our regulations and our legislation should go further to giving us some say, as that personnel changes from year to year, and we should have some exercise of more definite control, the lack of which has probably caused the difficulty with this particular one.

Mr. Paterson: I take it the minister is going to look into this aspect on behalf of all charitable foundations.

Mr. Chairman: The hon. member for Riverdale.

Mr. J. Renwick: Mr. Chairman, I have just two comments on this vote, both of which I hope will be very brief.

The first one relates to the concern I have since I had occasion to attend an

annual meeting of a company which is subject to the federal Corporations Act. It was the annual meeting of Alcan, a federal public company.

I had assumed that at an annual meeting of shareholders that it was either a good corporate practice, if not embodied in the law, that amongst all the items of business which are carried on at an annual meeting most of which are formal—that is, the election of auditors, the election of directors who, in theory, are supposed to have the controlling vote, the ratification of bylaws, or the confirmation of some specific requirements set out in The Corporations Act—in addition to that, the principal item of business at the annual meeting of shareholders was the report of the directors of the company to the shareholders on the conduct of the business of the company during the preceding year and that the requirement that the directors lay before the shareholders an accounting of the financial transactions and other matters related to the corporate activities during the year was a matter on which the shareholders, in some way, at the meeting could express their concern.

I was surprised at that meeting when the president of Alcan, who was then in the chair, stated to the meeting that there was no necessity to call for any motion from the floor or by the chairman by himself, as I understood corporate practice to be, that it would be moved by the chairman and seconded by some other officer of the company that the report of the directors to the shareholders be received.

And I use the phrase “received”; I am not saying “adopted”; I am not saying “approved,” or anything else—that the report be “received.”

Hon. Mr. Wishart: Did you say there was no need of a motion even for that?

Mr. J. Renwick: Yes. Now, at that meeting—

Mr. V. M. Singer (Downsview): Is there any such provision in the federal Act?

Mr. J. Renwick: There is not—this is the point I make. There is no such provision, having looked at the Act, there is no such provision in either of the Acts about this requirement.

Mr. Singer: That was my next question.

Mr. J. Renwick: Would the member for Downsview listen for a moment?

Mr. Singer: I am listening very carefully.

Mr. J. Renwick: I am simply saying that it was accepted—

Mr. J. E. Stokes (Thunder Bay): Listen silently, not out loud.

Mr. J. Renwick: —accepted, good, corporate practice that the directors would lay before the meeting their annual report—that the chairman of the meeting, the president of the company, would report to the shareholders and say: “This is my report; I move that it be received and that the motion be seconded.

And he stated that that was not necessary at all and therefore there was no forum for a general discussion in a strictly proper sense—that is, at a public meeting with a resolution before the meeting on which matters could then be discussed related to the affairs of the company.

When I, of course, realized that, I realized for many years I had gone along on the assumption that that was adequate corporate practice, but that it was so adequate that it was never mirrored in The Corporations Act, it was just assumed that companies would act in that way.

And, of course, our Act is based on the same fundamental framework, and my point to the minister is very simple. Will he consider an amendment to the Act requiring that one of the items to go before an annual meeting of shareholders is that the report be laid before the meeting and that there be an obligation that a motion be introduced, that it be received, that the motion be properly seconded and that the debate then continue on the affairs of the company leading up to a vote by the shareholders about that specific report?

I know that, because of the comments of the member for Sudbury (Mr. Sopha) and my colleague the member for Lakeshore (Mr. Lawlor) when we did The Corporations Act, there is a provision by which any shareholder can raise any matter which is relevant to the affairs of the company. We all thought that was a very wise and useful matter. That is not the point I am concerned about.

I think that is most helpful, but I think if there is going to be an annual meeting which has any substantial sense, there should be a requirement of corporate law that the report of the directors be received at the meeting by formal motion. On the basis of that formal motion, a discussion should then take place

in the orderly way in which public meetings are held, so that it is not an isolated, fragmented transaction and so that the shareholders have an actual opportunity of saying, yes, they receive the report, or, no, they do not receive the report. There can be a recorded vote on how many wish to vote to receive the report and how many wish to vote not to receive the report. That is the first point and I have one other point.

Hon. Mr. Wishart: Mr. Chairman, I think the hon. member has made a very cogent and a very good point pertinent to the affairs of a corporation. I was looking while he was speaking at The Business Corporations Act. He has referred to the section which is in the Act which he says is not the point, but it is section 107 which requires:

That a corporation shall hold an annual meeting of its shareholders not later than 18 months after its incorporation and subsequently not more than 15 months after the holding of the last preceding annual meeting and at such meeting—that is the annual meeting—any shareholder shall have an opportunity to raise any matter relevant to the affairs and business of corporations.

Now I agree with the hon. member for Riverdale. That is not really the point he made, but there should be a requirement in the Act that the directors of the company be required to lay before the shareholders at the annual meeting a report of the affairs of the company over the preceding period, and of the year. I think the point is well taken. I think we might very well look at that and make that requirement a part of the legislation.

I should think too, looking at section 107, that since there is that provision that any shareholder can get up in the annual meeting and discuss in the language of the Act any matter relevant to the affairs and business of the corporation, that the directors would be very ill-advised and very short-sighted not to bring forward an annual report, because figuratively, the shareholders, one after another, could raise matter after matter and open it for general discussion which, if they had been informed in an annual report, would have perhaps at least curtailed or shortened such discussion.

Possibly the shareholders might not know some things they would wish to discuss if they did not have the report before them. I think the point is well taken. I would be glad to look at it and see what we might do by way of legislation.

Mr. J. Renwick: Mr. Chairman, at that particular Alcan meeting there was a report. The chairman, who is the president of the company, made remarks with respect to that report and so on, but he sort of took the position that that was that, that there had to be no motion. I simply say that at any public meeting the normal way to transact business is to have a motion, have it duly seconded, have it on the floor, and then your discussion takes place, and within that framework the section that the minister referred to is most helpful in showing the amplitude of the discussion which can then take place under a motion which is properly on the floor of the meeting.

The second point relates to the original interim report of the select committee on company law, and what has happened in Ottawa on this question of disclosure of financial information. There were amendments made to The Federal Corporations Act which provides in substance for a new disclosure requirement which applies to private federally incorporated companies with assets greater than \$5 million or sales in excess of \$10 million and these companies are required to file their statements for public inspection in the corporations branch of The Department of Consumer and Corporate Affairs.

And this in a very real sense was to provide financial information about very substantial corporate operations which would in any definition of the term be considered to be public corporations except for the fact that they were subsidiaries of other corporations which are located abroad, many of them in the United States of America. The justification that was given for the new law was to provide information by large, private, United States subsidiaries incorporated under federal law.

The minister stated when introducing the amendments: "Governments, citizens, economists, would-be investors and creditors will all benefit by being able to see how large pools of private capital are deployed." Some of the companies which apparently were likely to be caught in this net—or many of them probably welcome it and do not mind it—are companies like American Motors (Canada) Ltd., Automobiles Renault (Canada) Ltd., BP Oil Ltd., Burrough Business Machines Ltd., Quaker Oats Co. of Canada, Procter & Gamble of Canada Ltd., Pepsi-Cola (Canada) Ltd.; a number of very large corporations which, because they were privately incorporated subsidiaries of other

companies, did not have to give adequate financial information.

And the minister went on to say: "But there's still an important gap." He emphasized: "Since the new disclosure laws apply only to federally-incorporated companies we will still be in the dark about a large number of private companies which operate under provincial laws of incorporation." And in the amendments to the Act which have been introduced they continue to reflect the report of the interim committee on corporation law, tabled in 1967, which came down after weighing the pros and cons of the matter to say that in this kind of a company there was no need; that the public interest did not require public disclosure.

It went on to say, for example, that a compromise between the proponents and opponents, a public filing of accounts, might be possible if an accurate and workable statutory definition could be devised to divide the class of companies which should be required to file their financial statements from those which should not be so required. And it goes on to say it would appear to be an almost impossible task to make that kind of distinction in a meaningful way in order that publication would take place.

Well the federal government has made what everyone agrees is an arbitrary distinction. It has used the twin tests of assets of \$5 million or sales in excess of \$10 million. I happen to be one who believes that there is a valid portion to the statement made by the Hon. Ronald Basford, that there is an area of companies which are incorporated in this jurisdiction under this Business Corporations Act or its predecessors, which should be required to make their financial statements public.

I tend to think that it is not all that difficult to devise the test. It may well be that the test should be related not to an arbitrary statement as to what the assets or sales may be, but should be related to the question that if the parent company, in whatever jurisdiction it is required to report, is by their laws required to file its financial statements, that any subsidiary company in the Province of Ontario should likewise be required to file their statements, so that we would have the benefit, for example, of this type of public disclosure.

I am not certain how many companies would be involved, but I would ask the minister to give consideration to the loophole which Mr. Basford refers to, if it is a loophole, and secondly, to give consideration to

reconsidering the recommendations made by the Lawrence committee on company law which on balance came down against public disclosure in this situation, because I for one think that there is a very real need to provide this kind of financial information.

Hon. Mr. Wishart: Mr Chairman, I certainly would take the matter under consideration. I do point out, of course, that I have the additional small difficulty of flying in the face of, or questioning, the recommendation of our select committee on company law, which does not probably appear to be a very large obstacle in my eyes because we certainly could refer it back or have some other group study it, or the same committee reconstitute it

There is a difference; there is the other feature now that the federal legislation will require disclosure, the filing of that information so that it will be available. That is another point that I make. And the other point which the hon. member said. He said the parent company in the foreign jurisdiction is required to file its annual report, financial statement, and so forth. The point there is, of course, that, I think almost invariably, the parent company would be a public company in the sense that its shares are widely held by the public, whereas the shares of the company within Canada, the federally incorporated subsidiary in Canada, are held by the parent. In that sense it is not public at all, so there are not to be found in this country shareholders holding the shares of that subsidiary corporation, so, in a sense, there is no public interest, except as Mr. Basford pointed out, in the disposition, the deployment of vast sums of money, and the sales and the type of business the company is doing in this country. So there is certainly an area of interest.

But there are some arguments which apparently the select committee on company law took into account last year. It felt that there was not a public interest since there were not public shareholders in this company. However, I shall look at it. Now that Mr. Basford has introduced legislation of this nature, perhaps we might see fit to do something of the same nature here

Mr. Chairman: The member for Grey-Bruce.

Mr. Sargent: Mr. Chairman, in looking at this vote involving about a million dollars in control in the area of business, I am wondering how far does it go on behalf of people.

In the dying moments of these estimates, I would like to say that, in my experience in the House, I have never met a minister who is more aware of the need to help people than this minister—I mean, who has an awareness of the need to help people in this province.

May I ask how far does this million dollars go in the area of helping people? I take the long view of it, that there is an area of protection that we could have in your department on behalf of people. In the United States they have the Sherman anti-trust laws, and the Robertson-Patman Act, of which you are well aware. In this country we have our anti-trust laws, as it were. You may think I am wandering a bit, but the fact is that we have these protections in other administrations, and here we have a million dollars you are asking for on this vote 605 here. I am wondering about the area of cartels and monopolies in this economy we are living in, and in view of—if you will allow me to enlarge upon this one second—in view of Mr. Kierans' statement in the current issue of Time magazine, that of the two billion dollars of value of US physical plant in this country, the branch plant economy would have, and contrary to Mr. Randall's statement that the flow of American capital was flowing in here, and that in fact, only \$127 million—Mr. Minister, are you with me?

Hon. Mr. Wishart: I am listening.

Mr Sargent: Of this two billion dollars we are talking about, American branch plant economy here, only \$127 million of new capital has come across the border, then I am concerned that are we going to continue to use the formula we were using here. This is not your department. Are we going to continue the formula we are using here in giving these foregiveness loans of multi-millions of dollars, allowing our economy to be bought out by American concerns, using our money to do it? I ask you, is there any protection there in this section, where the issuance of certificate letters patents and supplementary letters patents, effecting the incorporation and amendments thereto, I say to you, is there any area of protection for our people?

Do we have the power to write our own company rules for Ontario people for our share of US profits here? I know I am on the same wave length as the minister and he knows what I am talking about. Insofar as the incorporation of these companies goes, are they incorporated into Ontario law? If they are incorporated, do we have the power

to say to them, "We want 51 per cent of the profits of these companies that you have bought from us with our money." Do we have the power to say, in effect, "We are the ones who have created this potential, this great trading area. We are the ones who have done it and you are the ones who are gaining by it. We have created a training area to produce this wealth of potential profit, and we reserve the right to write the rules and the guidelines which translate a new deal for our people here in Ontario." If we could translate this one theme, Mr. Minister, into profit, to leave those profits in Ontario, we would not have a \$400 billion deficit this year. We would be operating at a profit deficit. We would be budgeting for a profit.

So I ask you—and it is kind of a left-handed way to find out—do we have the power, do you have the power, sir, to say in writing Ontario law that we will be an anti-cloister against mergers unless they are written on our terms. Are you with me?

Hon. Mr. Wishart: Well, Mr. Chairman, to go back to the hon. member's opening remarks, he was talking about concerned interest of the government, of this department, of people. I think I would like to point out first of all that under this vote, which is business incorporations, our programme there, our corporations laws are open to the public. We do serve the public in making information available.

We brought in legislation in this session, a new Securities Act, a new Business Corporations Act, a new Corporation Information Act, amendments to The Corporations Act, all of which are designed to improve our knowledge of what is going on and to add certain controls and regulations to what we are doing in the field of corporations.

Today—the hon. member I think was not here—I introduced a bill to regulate and control the takeover of a certain type of business in this province by foreign firms, and we approached that by way of a new piece of legislation which will require a Canadian content and ownership before the firm can get licensed to do business in this province. That was introduced in this House today.

Now we only have a certain area in which to go. And where the hon. member then went on to the question of controlling investments by foreign corporations in our country, the large area of control I think lies with the federal government. I cannot say that the policy of this government has been to

say no foreign investment should be made in this province, certainly that is not the case, because I think the hon. member has heard argued that if you are to develop industry and programmes which will give people employment and develop the country, we have not got the funds. We simply have not got the money available at home for this purpose.

Perhaps if we could keep here in this province the profits or dividends which foreign corporations make, and make certain that they were re-invested, ploughed back in, that might be a good way to go; and gradually we would build up the funds that we would need to develop our own industry, our own country, our own economy. But we would still be faced with the fact that those companies which are basically foreign-owned now would just be increasing their share of ownership if they put that money back in, because it would still be the foreign corporation's funds which would be used to acquire additional assets, additional property.

Over a period of time perhaps I think this would be open to us—I do not think you can do this overnight—to require increasingly an increasing Canadian ownership content in the company. I am one of those who believes that this is a proper way to go, but I do not think it can be achieved suddenly, because I think it is just impractical to say that you can do it overnight or in a very short time. I think it has to be a programme that will develop over the years. As Canada grows and as we develop funds and means of our own I think we will achieve this, but I think you would dislocate and destroy a large part of our economy and shatter it to its foundation if you attempt to do it like that.

I think while I agree to some degree with the hon. member I cannot say it is wrong to encourage a corporation already established, doing business, albeit it may be foreign-controlled, to have a loan from our resources, our banks, our financial institutions or even from government, if it will provide an increased development and increased employment.

Mr. Sargent: Well, conversely, supplementary, and finally, Mr. Chairman, could the minister advise me if the Province of Ontario has the power in the incorporation of a company to say that we have same formula, say as the country of Mexico, that 51 per cent of any business must be controlled in this province?

Hon. Mr. Wishart: In the bill I introduced today we have said to a new company at least this, that you cannot get a licence to do business in the area of this legislation—which was the sale of books, paperbacks and periodicals—unless you have a controlling Canadian interest in the incorporation.

Mr. Sargent: May I ask the minister then, why is this to only one industry, to one area of our economy?

Hon. Mr. Wishart: I was dealing today with a very special urgent matter and I think I am answering the hon. member's question by telling him what I did today.

Mr. Sargent: Thank you. Unless there is an awareness on the part of the government it would have to be government policy before you could move on a larger scale?

Hon. Mr. Wishart: It was government policy that I carried out today.

Mr. Sargent: I am sorry. Across the economy of Ontario though?

Hon. Mr. Wishart: Yes, it would have to be government policy, of course, before government would do it.

Mr. Sargent: Thank you very much.

Vote 605 agreed to.

Mr. Chairman: This completes the estimates of The Department of Financial and Commercial Affairs.

Hon. Mr. Wishart: Mr. Chairman, perhaps it would be proper that I should refer to the order paper and say that the House will remain in committee and deal with the estimates of The Department of Revenue.

ESTIMATES, DEPARTMENT OF REVENUE

Mr. Chairman: Estimates of The Department of Revenue. Does the hon. minister have an opening statement?

Hon. E. A. Winkler (Minister of Revenue): Yes, Mr. Chairman, I have a few words.

Naturally I consider it a pleasure inasmuch as it is the first opportunity that I have had to represent a department of government and in this particular instance to present the estimates of The Department of Revenue. I must, of course, say that my predecessor, (Mr. White) stands to be, in my opinion, congratulated on the job that he did during

his time as minister. The growth of government revenue sources over the years has posed many difficult problems. However, through the use of improved administrative techniques—an efficient, equitable and courteous administration has continued to operate throughout this province.

The special proficiency which has been developed in the field of tax administration was the objective in setting up this department, as suggested by the Ontario committee on taxation. The objective of The Department of Revenue will continue to be the philosophy that we have developed for the department, and it is this—the object of The Department of Revenue is to administer the assigned tax statutes fairly, uniformly, impartially, as well as with diligence, firmness, courtesy and efficiency. I want to commend the staff of my department for their dedication and their hard work. I think in the short time that I have been minister and have been associated with the people in my department, unquestionably that statement stands as very distinct and true.

This past year the department published its first annual report which has been very well received by both the public and the business community.

Mr. E. Sargent (Grey-Bruce): That is not true.

Hon. Mr. Winkler: The 1971 report will again provide current information and statistics on the administration of the tax system in Ontario and will incorporate several constructive suggestions which have been submitted by various interested groups and citizens. It may be unfortunate that I have to present these estimates so early after they were presented last year, but that is not my responsibility. Fortunately, it is my duty. The tax bulletin continues to be published on a regular quarterly basis and distributed widely about the province, informing taxpayers and the citizens of departmental administrative interpretations and procedures. This of course is in line with the recommendations of the Ontario committee on taxation and continues to be well received.

While the number of employees remained approximately the same as at this time last year, the number of registered vendors has increased by 1,000, while the number of active corporations has increased by 5,000. The general workload of the department increased as revenues collected rose from \$2.7 billion in 1969-1970 to an estimated \$2.9 billion in 1970-1971. Deposits of the

Province of Ontario Savings Office rose from \$108 million on March 31, 1970, to \$120 million on March 31, 1971—

Mr. Sargent: What a joke that is!

Hon. Mr. Winkler: —an increase of 11 per cent.

Mr. Sargent: Why do you not close them all up or fix them up properly?

Hon. Mr. Winkler: We have just concluded our 1971 suggestion campaign in our department and no less than 530 submissions came from all branches and sections of the department. The major objectives of the campaign are to create an additional vehicle of communication, particularly for those in out-of-town offices, and to produce more efficient methods of working. I must say, Mr. Chairman, that these awards were presented last Friday and there were four people who received substantial awards within the department, and their suggestions have not only been received but they have already been implemented.

During the last year progress has been made in computerizing the collection of direct taxes by an exchange of computer data between industry and government for the first time in our whole tax operations.

My tax officials are in communication with other Canadian jurisdictions as well as several states in the United States, for the purpose of exchanging views on common problems in improving the administration of our tax organization. Several of my officials are active in Canadian and American tax associations; meetings are continuing regularly with other provinces at which interprovincial problems are considered and every effort made to reduce the duplication of effort between provinces.

We recognize the procedural problems which face taxpayers when required to report and remit sales tax or gasoline or diesel taxes to more than one province. There have been tangible benefits resulting from the work done so far, but more remains to be resolved and during the coming year I plan to give support to the simplification of taxpayer reporting procedures.

Mr. Speaker, that is in essence the basis of my opening statement. I would add to that, that following the resolution on the order paper by the hon. member for Brantford (Mr. Makarchuk) I read his remark and I read the statement that he produced at that time.

I want to inform him this evening that I am in fact thinking about the function of the Ontario Savings Office and I anticipate that in the very near future that something will be done with this particular branch of my department for its future use, and that I have considered the suggestions that have been put before the chamber by him.

In regard to the question that was raised today by the hon. member for Downsview I had that situation investigated and found out that we have had in excess of 200 enquiries and applications in regard to the legislation that we placed before the House.

Because of the terms of the legislation and the ending of the fiscal years of the various companies that have made the inquiries, and the potential applications, we will not be able to ascertain whether they will take advantage, to what extent, and how many people will be affected until the next return of their corporation tax reporting.

I think you would recognize that it is fair in both instances to say. I—

Mr. V. M. Singer (Downsview): Which will be how long?

Hon. Mr. Winkler: I would suggest the first reports that we will be able to bring substantially before the House would be October.

And with those words, Mr. Chairman, I stand to answer for my department.

Mr. Chairman: The member for Kitchener.

Mr. J. R. Breithaupt (Kitchener): Mr. Chairman, the members of the Legislature know full well that we in the official opposition have not the time nor the patience to perpetuate the anachronism that is The Department of Revenue.

We would abolish this as a separate ministry. We have said so on many occasions in the past and we intend to merge it with the Treasury. We believe that the continued existence of this department serves only one purpose. It provides office for the incumbent, of course, and perhaps by that reflected glory tries to hold one more constituency for the Tory party in the next election.

What is unique on this occasion is that the new minister will need all the glory of office he can muster. He faces a formidable foe at the polls in the person of Curtis Greenleaf. I predict with some certainty that Mr. Greenleaf will do very well.

Mr. Chairman, we expect to keep this particular estimate commendably brief. We have had a great deal to say in the Financial and Commercial Affairs estimates and, certainly, we intend to say much more in the estimates of the other larger and more important departments, especially that of The Department of Justice and the Attorney General that will follow.

We note that most of the anomalies apparent in the previous years have now been ironed out. The Human Rights Commission no longer is concerned with the discrimination obvious among Kentucky fried chicken and Chinese food and french fries. All in all, we feel that it would be better in this instance to proceed directly to the votes and we will make our comments at that time.

I trust that they will seem germane at that point.

Mr. Chairman: The member for Peterborough.

Mr. W. G. Pitman (Peterborough): Mr. Chairman, I would say that whether we intend to spend very much time on this department is the decision of the caucus of the New Democratic Party. I have been looking for some kind of a comparison, but I think it is rather like having the police going into a Mafia-run gambling joint and shooting the piano player or perhaps going into church and blaming the guy that takes up the collection for all the inadequacies of the institution.

So, we are not going to spend any time on this. We cannot understand why there has to be a separate department to pick up the tab, but, of course, this government has a kind of a penchant for moving people around, on the one hand, bringing together Transportation and Communications into one department, because they are obviously the same area of activity and, at the same time, dividing University Affairs and Education, which I must say I felt to be the wrong decision, although I have had second thoughts on it over the last day or two.

But on this particular occasion I do not think anybody on this side of the House has any reason to feel that another minister is necessary and that another department is necessary.

Mr. F. Young (Yorkview): He is just a ripple on the new wave.

Mr. Pitman: It should be a separate division of The Department of Treasury. It becomes

almost impossible, Mr. Chairman, to make any overall reports on this department which have any real significance, because I am sure that if I could get talking about tax policy and all the inadequacies of this government in dealing with tax reform over the last three or four years—the one thing, I think, that this government indicated to the people of Ontario, it was going to turn to after the election took place in 1967—you will call me into order and, of course, you would be very right in doing so.

There are some obvious small inconsistencies, for example, the fact of the sales tax. I cannot understand, and I have been unable to explain to anyone else, why persons have to pay a sales tax on something which they are unable to sell, or when they go bankrupt and have all this material on hand. It just does not seem to me a fair and equitable way of going about things.

I have had a hard time trying to understand why, for example, in one or two areas I did take a look at, the minister's tax bulletins in one section, talk about Act 27(a)—interest on overpayment—and state this section is a new one. It provides for the payment of interest by the government, under certain circumstances, where taxes were overpaid. One would wonder why under certain circumstances, the government would pay it. Under other circumstances, one assumes that the government will not pay it but perhaps the minister might be able to bring the bright light of his intellect upon that particular section of the Act and straighten us all out.

Again, Mr. Chairman, I could, I suppose, discuss some comments that have been made in relation to what statements have been made by the Treasurer (Mr. McKeough). For example, I think the Treasurer in his budget speech said that Ontario would vacate the field of succession duties for 75 per cent of the federal estate revenues in Ontario. The present minister of Revenue stated on May 6 that Ontario would not vacate it until Ottawa would give them the same amount of money they were getting in the past. There would be an increase in basis in the future. I think we would like to know what the government policy is because here is an example of The Department of Treasury and The Department of Revenue apparently having two views on one very small simple section of The Succession Duty Act.

Mr. Chairman, I do not intend to prolong this estimate. Let us get on with greater

things. We will have very little to say over the next few minutes.

On vote 1901.

Mr. Chairman: The member for Sandwich-Riverside.

Mr. F. A. Burr (Sandwich-Riverside): Mr. Chairman, I would not like the Minister of Revenue to feel slighted and establish a record of a 15-minute review of the estimates. I would like to draw to his attention a small problem about which I corresponded with his predecessor to no avail. This refers to the paying of—

Mr. J. E. Stokes (Thunder Bay): You cannot win them all.

Mr. Burr: Pardon?

Mr. Stokes: You cannot win them all.

Mr. Burr: This concerns the paying of sales tax on automobiles. I would like you to imagine—a man buys a new car for \$3,000, pays \$150 sales tax.

Hon. Mr. Winkler: I wonder if the hon. member would move—

Mr. Burr: Is it in vote 1902?

Hon. Mr. Winkler: Yes.

Mr. Burr Well, I am halfway through—

Mr. Chairman: Shall 1901 carry then?

Mr. Singer: No I wanted to ask the minister if he referred to the question I posed to him earlier. He said that he did not really have any statistics about the extent to which the five per cent reduction in corporation tax had been taken advantage of, although he had some 200 inquiries. Mr. Chairman, I am not awfully impressed by the fact that there were 200 inquiries.

The thing that would impress me was the extent to which this brave new move of the new wave was taken advantage of. It was announced with all the fanfare and thunder and applause that this was going to supply jobs. I can accept the minister's explanation that in absence of anything else, he says he has 200 inquiries and who is to say him nay.

Who knows who inquired and what was an inquiry and the extent to which the inquiry was meaningful. But the minister makes a valid point to the effect that at this moment he has no statistics as to the extent to which he has given away—what was it?—\$125 mil-

lion of our money to favour certain corporate friends.

Perhaps he has some statistics—and that was really the thrust of the Treasurer's argument—on how many jobs this brave new move of the wonderful new wave did, in fact, provide? That appeared to be the purpose of the corporate gift and I wonder if the minister has any answer to that?

Hon. Mr. Winkler: Mr. Chairman, I think you will appreciate from the first statement I made that it is impossible because we do not know. We do not know who is implementing the terms of the legislation now. I could say to the hon. member if I had the authority—or if I had the right of the companies concerned—to make a public announcement of two in particular that I am aware of which might astound him.

There is no question about the fact that until we see their next corporation return, we will not be able to say from our point of view, without their authority, whether they are, in fact, implementing the suggestions they have made in employing the people they say they will employ.

Mr. Singer: Mr. Chairman, by way of some further remarks on this. One would have thought that a programme that was announced with so much applause would have had a very careful watching brief from the minister and his colleagues, so that somewhere, soon after he gave away \$125 million of our money—and that was his prediction, it is the only figure I can rely on.

This is a government that gives away all sorts of our money—\$150 million on Spadina, \$125 million to corporate friends, and the promise that you are going to supply new jobs. Four or five or six weeks after the date, Mr. Chairman, one must come to the conclusion that the government does not know whether it is coming or going because the responsible minister is unable to rise in his place today and say, "I provided even one more job by giving away money to our wealthy corporate friends here in Ontario."

Hon. Mr. Winkler: Without agreeing with the latter part of the hon. member's statement, of course—which I do not believe to be at all true if I had the authority of the people that I know of, as I said initially, I could certainly prove more than that to him. But I do not have that permission.

Mr. Singer: Yes, it is always somebody else's fault.

Hon. Mr. Winkler: —tonight, and in fact will not be able to until that particular company makes its first return, which I believe will be October.

Mr. Singer: After the election! Well you will not have to talk about it then. We will talk about it.

Hon. A. Grossman (Minister of Trade and Development). Do not go away mad.

Mr. M. Makarchuk (Brantford): Mr. Chairman, on the same point, perhaps, the minister can tell us at this time just what type of companies have asked for this five per cent rebate. Were they companies involved in resource development, or were they manufacturing companies or service companies?

Mr. Singer: They cannot tell you until they get the returns.

Hon. Mr. Winkler: Certainly. One that I know of is a resource industry I know of one in construction, and I believe there are a number in the service industries.

Mr. Makarchuk: The minister, of course, is aware that the resource industries are highly capital-intensive industries and this may result in a net loss of jobs in the case of those particular industries, because they would be replacing the labour with machines in many cases. Perhaps he should look at this very critically before he hands them out.

Hon. Mr. Winkler: I can assure the hon. member that in the case to which I make reference that is not so.

Mr. Breithaupt: Mr. Chairman, we cannot, of course, necessarily rehash the details of the debate on the amendment to The Corporations Tax Act, but the points that were raised then still seem to be valid. We have no information as to the number of companies involved, we have no information as to the necessity of them being Canadian, we have no information as to the studies that had gone on to prepare ourselves for the decision to be made to forego this amount of taxation revenue.

All we had is the same thing we had in the announcements in the Throne Speech about more jobs, which the new Minister of Trade and Development lived to regret. We had this same situation that developed, whereby a dollar figure was pulled out of the air, apparently without any particular studies, background or information beyond a vague generality upon which to pass, in this Legislature, those amendments to legislation. Now,

the minister, I am quite sure, will recall the debate that afternoon. It was developed at some length by various members of the opposition, and then briefly, indeed almost off-handedly, the minister chose not to involve himself to answer the points that were raised at that time, the points dealing with the whole philosophy developed to come to the point where we should forego this amount of revenue.

Now, if there were studies, if there were position papers, if there were certain views as to the reasons we should forego this revenue, we were not acquainted with them at the time that legislation was put through this House. If those studies exist, if there were reasons to forego that amount of money, we have not been told about them until now. Perhaps the minister can give us the reasons why.

Hon. Mr. Winkler. In regard to what the hon. member has put before me by way of questions, I think simply that we, as the government of Ontario, have accepted our responsibility in the best way we know how at this point in time, because of the situation that has been created in our economy, not by ourselves. We recognize that what we are doing is a contribution and simply cannot take care of the entire matter ourselves. I think that possibly after this Friday, there may be other areas we can enter into. But we believe that this, small though it may be, is a starting point, and if the hon. member is saying to me that the amount of money we are going to lose in revenues is going to have any great effect on the economy of the province, then he is only convincing me that maybe we are doing the right thing and maybe not enough of it, but time alone will tell.

Mr. Breithaupt: Well, Mr. Chairman, I do not look on \$125 million as a small amount of money. I feel that we should be able to hear from the minister the reasons that dollar amount was decided upon.

Why \$125 million? Why not \$250 million? Surely, there must have been something that led you to the conclusion that that was the amount of money that was needed.

We have seen this far too often, Mr. Chairman. We saw it last year when we were told that there were \$10 million available for the old age pensioners, and all of a sudden we found out that that amount seemed to have been plucked out of the air because we did not know how many pensioners were involved and how much money each one

needed, and what their taxes were or any of the other background.

And this is the thing that disturbs me particularly, that we have nice round figures pulled out of the air, but what is the background upon which they had been based? Did you multiply so many companies by so many dollars by so many presumed jobs to get this \$125 million? It is a nice round figure, I agree, and taken over two years it works out very nicely to \$250 million, but that does not make it any more relevant to the job that has to be done.

It may be, as the minister said, that because of the economic situation in which we find ourselves it should have been twice the amount, or perhaps five times, I would not know. All I want to know is, since this dollar amount has now formed part of the budget of the Province of Ontario, why did you decide upon a \$125 million?

Hon. Mr. Winkler: Well in answer to that, Mr. Chairman, the hon. member knows full well that the policy of the Act as initiated by the Treasurer is not a policy that can be developed by our department because we are not a policy developing department. You know that and you will agree with me. On the other hand, I will say this, from my own point of view and where my own influence exists—and I do not think I have been known to be deceitful in this regard—if the need arises—what I am saying is that if the federal government makes the current situation worse than it is, I am sure that we are willing to contribute more to try and bail them out. And I will do my share, I can assure you, and I am sure I will have the assistance of my colleague from Kitchener.

Mr. Breithaupt: I am sure you will, Mr. Chairman. The point is that we are left to believe that it is an educated guess of sorts. One looks at the recent articles in the paper and for someone who works 15 hours a day, surely we can expect a reasonably good figure and a reasonably good appreciation of the amount of tax dollars that are lost. Now if the figure of \$125 million was simply chosen because it was a nice figure, that is fine. But if it is based upon some reasonable expectation developed on the whole basis as to what we might presume would be the amount of money we should forego in the circumstance, then that indeed appears to me to be a fairly intelligent economic approach.

But it wonders me—as we sometimes say in Waterloo county—it wonders me how you

can arrive at these figures, how you can arrive at these nice roundish figures which do catch headlines but do not seem to really allow us to get to grips with the problems? Because when we go behind the announcement, when go behind the press release, we find that the framework, the background, the development work does not seem to be there; and if it is there, why that is fine. But we have no more presumption than the hon. Minister of Trade and Development occasionally advises us on the round numbers of programmes which he—

Hon. Mr. Grossman: I am going to add 11 cents to every figure from now on.

Mr. Breithaupt: Well if you can tell me why we should add 11 cents I would be happy to agree with it.

Hon. Mr. Grossman: So it will not be a round figure.

Mr. Breithaupt: Well this, unfortunately, is the way I find this government developing basically. It adds dollar amounts together because there is no reason not to.

Mr. Sargent: It will not make any difference anyway.

Mr. Breithaupt: And I do not think that is quite good enough.

Hon. Mr. Winkler: I will endeavour to ameliorate the situation for the hon. member. If I can possibly get it before the conclusion of this debate I will supply it to him.

Mr. Breithaupt: You have got only half an hour.

Hon. Mr. Winkler: That will be fine. That is enough time.

Mr. Chairman: Is vote 1901 carried?

Vote 1901 agreed to.

On vote 1902:

Mr. Breithaupt: Mr. Chairman, on 1902 there were a couple of questions that I would like to ask with respect to the general administration of taxes programme. In the announcement that came with the annual report of the department in 1970, which was received by us on November 2 of that year, there was a press release which referred to the general comments concerning the first full year of operation of the department.

In the first paragraph of that press release, we were informed by the Minister of Revenue, as he then was, that the cost of collecting \$100 of that revenue declined from \$1.65 to \$1.42 and the departmental costs fell from 76 cents to 66 cents. Now even the Minister of Trade and Development will agree with me that at least we had some figures upon which to develop the praise with which we look at the operation of this department, so far as its civil servants are concerned.

I would appreciate hearing from the minister, if he has the figures for us, what the cost of collecting that same \$100 of that revenue is in the department for this past year? I realize, of course, that the department, having only been organized for somewhat over a year at the time of that annual report, was able to give us these figures based on March 31, 1970. I am wondering if the minister can give us the figures as of March 31, 1971, and advise us if the collection costs have progressed further and the departmental costs the same.

Hon. Mr. Winkler: We have continued to endeavour to define the situation and to bring in further savings as far as administration is concerned. Now, the dollar cost excluding remuneration as of June—that is, the beginning of this month—1971, is 73 cents. Including remuneration for the collection of taxes, it is \$1.56; therefore, I think you will find that in both cases it is reduced once more.

It is regrettable, I know, that I have not been able to produce another annual report because, as you know, I would have been able to place all this before you.

Mr. Breithaupt: I agree, of course, Mr. Chairman; the department having been newly organized, and the development in which it is. I do not quarrel with that at all. The annual report that we received in November for March 31, 1970 was most useful. I am quite sure we will receive this report, hopefully, before November of this year.

Mr. Chairman: The member for Sandwich-Riverside.

Mr. Burr: Mr. Chairman, I was going to ask the minister about what I consider to be an unfairness in the sales tax on automobiles. To simplify this, we will suppose that my colleague from Middlesex South has a car which is worth \$2,000. He wants to buy a new car for \$3,000. He wants to sell me his \$2,000 car.

Mr. K. C. Bolton (Middlesex-South): Cash!

Mr. Paterson: Do not trust him!

Mr. Burr: Cash, he says! He buys a new car from a dealer and his sales tax on the \$3,000 car is \$150. I buy his car from him for \$2,000 and my sales tax is \$100. The Minister of Revenue is richer by \$250.

Interjections by hon. members.

Mr. Burr: If my colleague turns his car in on the new car, he pays the difference between the \$3,000 and the \$2,000, which is \$1,000. That is, he pays \$50 sales tax. I then go to the dealer and buy his old car and I pay \$100 sales tax, so the Minister of Revenue in this case gets only \$150.

Now it means merely if we both go through a dealer the government is poorer by \$100. I suggested to the previous minister that my friend should have a tax refund or a tax credit for the amount of sales tax I have paid. Or at least, if he buys directly from the dealer and I also buy his car from the dealer, he should then get \$100 tax refund and the two of us together should pay only the \$150.

Interjections by hon. members.

Mr. Burr: Now why should the government make this extra \$100 just because we do not both buy and sell through a dealer? After the minister's predecessor told me that this would be too cumbersome—I think that was the word he used—I wrote to the Minister of Revenue or Consumer Affairs—I have forgotten now—in Manitoba and asked him how they did it out there. He wrote back and said that they would do it the way I suggested. Providing the sale took place within two weeks then there would be a tax credit or a tax refund, whichever way you wished to work it. I am wondering whether the new minister sees matters in a fairer light than his predecessor.

Hon. Mr. Winkler: The member really put me on the spot when he put that last rider on to his question.

Mr. Breithaupt: Take it under consideration.

Hon. Mr. Winkler: No; I will not do that either. It is a cumbersome thing to do, as the member suggests, and it is one of the reasons that it has not been implemented in some sort of way or fashion, as he suggests. On the other hand, I think that he will find in most cases, particularly in cars, a person will sell his car directly to someone else, because he

will get a much better price for it than if he turns it in. Of course, the philosophy of the sale is that the last buyer pays tax, and this is precisely what happens in the case of car transactions. If he wanted to trade it in on another car, he knows what the result of that would be. That would achieve his particular goal. Because of the fact that in Ontario transactions are not so great, it not only becomes cumbersome, but I believe somewhat unfair. Unless the member wants to send it to me by way of request, and I will discuss it further with my officials and reply to him, I will again make the proposal to him. Otherwise, I suggest he let the tax stand as is.

Mr. Burr: Mr. Chairman, thank you for the explanation, which is really the same one as I got from the other minister, probably from the same advisers.

Hon. Mr. Grossman: The member cannot improve on pure logic.

Hon. W. A. Stewart (Minister of Agriculture and Food): We suggest they both move to Manitoba—that would fix the whole thing.

Mr. Bolton: I would miss the minister if I did.

Mr. Makarchuk: Not as much as he would miss the member.

Hon. Mr. Grossman: Borowski will not have it

Mr. N. Whitney (Prince Edward-Lennox): Out of Saskatchewan and into Manitoba

Mr. Burr: I question whether my hon. friend for Middlesex South is selling me the car for \$2,000, because he can get more from me than he can from the dealer. I think that is purely hypothetical.

An hon. member: He would not do that.

Mr. Burr: No, I doubt it. Now, I can see—

Mr. Bolton: Do not let anybody sell the member a car or horse, even me.

Mr. Burr: —that in other matters such as a second-hand television set or a second-hand refrigerator, these sums would be too small really to bother about, but on an item that is as large and as expensive as a car, I feel that the tax credit or refund should be used on this one particular item. I will probably follow the matter up with the minister in a letter. Thank you.

Mr. Chairman: The member for Essex South.

Mr. D. A. Paterson (Essex South): There are two or three questions I would like to raise in this vote, Mr Chairman. The first is in relation to the gasoline tax. As the minister is aware, I have had a running correspondence with the previous minister and himself this year, after the Amherstburg district chamber of commerce wrote to me about the decrease in boating traffic in the area and the sharp decline in gasoline sales and tourist spending. I again wrote the minister to see what was being done in relation to possibly alleviating the tax on gasoline used on pleasure craft, and I received a letter today from the hon. minister in reply to my latest inquiry.

I wonder at this point, could the minister tell me if the officials of his department have done a study of this matter, say through the gasoline companies? Have gasoline sales deteriorated very substantially, particularly in the border areas where US pleasure craft used to buy great quantities of gasoline?

Hon. Mr. Winkler: I cannot answer the question, in the large sense, that is for each state that we border on in the Province of Ontario in relationship to our own situation, but I can say to the hon. member that in the State or Michigan the tax is applied exactly the same as it is applied in the Province of Ontario. I will endeavour to acquire the balance of that information for him. I share his views in many ways, because I have marinas and that sort of interest in my own constituency and I know precisely what the record is.

I will have that matter followed to a conclusion, because this is part and parcel of our tourist industry, and it is in developmental stage right now to the point where I have letters coming to me from my own people. I will follow that further. Is that the point he was making, in relationship to other states?

Mr. Paterson: Basically have our sales deteriorated so that you have suffered a tax loss, in essence, from all ramifications from the pleasure craft trade? Just while you are looking that up too, Mr. Minister, in relation to your comments on Michigan I think that the difference, and the acceptability of their tax, is that this tax money is designated for harbours of refuge, that the state builds these out of this tax money. We have no such similar programme in the province. Our gasoline tax money, which was founded on the premise that it was for road use, is going into the general coffers and not being expended back on those who are not using the roads yet consuming the gas.

Hon. Mr. Winkler: I would like to say to the hon. member that as far as gasoline tax revenue is concerned it has shown a steady and substantial increase since 1969. And again this year the anticipated increase is about in the same percentage category it has been in the previous years, and that is to date.

Mr. Chairman: The member for Grey-Bruce.

Mr. Paterson: I have two more questions.

Mr. Sargent: No hurry!

Mr. Paterson: The first one is in relation to the retail sales tax. I wonder if the minister would have the figures before him, relating to the first five months of this year, as to the amount of retail sales tax collected, in comparison to the same months last year; and the question is, has the sales tax revenue remained fairly constant, has it decreased, or has it increased month by month in this calendar year?

Hon. Mr. Winkler: Yes, I have the figures before me and I am just informed that they are the current ones. That is, to date by the month. They are confidential figures, but I can tell you that there is a substantial increase.

Mr. Paterson: Well that is very heartening. You know, all this talk about depression and so forth that has been emanating from many sources, and yet your revenues are increasing because retail sales are going up. This is excellent news and the type of thing that we should be hearing to build confidence in our economy and province and country.

Hon. Mr. Winkler: I think the member makes an extremely good point and I think you will find that the sales revenues may be coming in greater quantity from some areas and dropped in other areas, depressed areas where one might expect to find it. But that is the fact of the matter, they are up.

Mr. Whitney: There are more people.

Mr. Paterson: The last point I would like to make, Mr. Chairman, is in relation to the matter I raised in the question period. In relation to the greenhouse operators who are growing flowers. Has the minister been able to come to the termination of that, because we are into quite a battle with The Department of Labour? They seem to have moved in on these horticulturalists, or agriculturalists.

Is there any give here at this point, because I am going to take this matter up through correspondence in the weeks to come here on a more serious vein?

Hon. Mr. Winkler: I recall the question very well at this time. Regrettably, in this particular case, because The Department of Agriculture and Food—with all deference to my colleague, who considers greenhouses as he does and has defined them as so-and-so, and such-and-such, that does not mean that we do. The fact of the matter is this is where a differential, for our purposes, takes place. They are not producers of food.

Mr. Paterson: Most of us consider the matter—

Hon. Mr. Winkler: Where they are, we give them the benefit of the doubt as far as we possibly can and I follow it very intimately, at least on the question that my hon. friend placed before me in the House. And this is the reason.

And if we did, again, show sympathy for that particular segment of the industry—if I were to lean in that direction, do you know what would happen next? I would have the growers of small shrubs and medium-size shrubs, and so on, and so on, and they are all very, very closely associated.

It is very difficult for us to define, particularly when we get to those people who are involved with the development or production of both of those products. And consequently, we have not seen fit to bring them in totally, as the producers of food, for an exemption.

Mr. Stokes: How does the minister follow a thing like that intimately, though?

Hon. Mr. Winkler: Very easily.

Mr. Paterson: I might state, Mr. Minister, I checked back on the original terms of reference in your Act concerning forests and nurserium and what you have stated is a fact. I would think that you, as the Minister of Revenue, should approach your colleagues with the thought that agriculture in our province is in fairly serious straits in many, many cases and that possibly a new look should be taken at this. Any encouragement for these people in agriculture to diversify and go into some of these different types of products should be given. Possibly this might be one little step in that encouragement and help relieve the pressure on farm communities.

Hon. Mr. Winkler: I recognize the seriousness of the plea of my hon. friend and he may be assured that I will take that suggestion very, very seriously as I endeavour, once more, to follow it in the light of his request.

Mr. Chairman: The member for Grey-Bruce.

Mr. Sargent: Mr. Chairman, I get browned off with these ministers getting up in their estimates saying that they will "look into it" and "give it full study" and nothing ever happens. No time in history has any minister come back and said, "we have done this." They grovel and they are so nice in the estimates, they will do anything during their estimates.

I get sick and tired of this baloney and I could give you a better Irish term for it, but you know what I am talking about. It is sickening how they say they will "go into that" and "do our job for you" and "get back to you" and say they will give the answer before so-and-so.

I am concerned. I am getting letters from my constituents about the same problem and he probably gives them the same answers he is giving us too. I do not know.

I am concerned, Mr. Chairman, about this minister who lives in a resort area and in our area who are paying the highest tax in North America on food—10 per cent on food tax. No other economy in North America—not in the 50 states in America, no province in Canada, is paying the same amount of money. Yet on diamonds and furs they are paying a five per cent tax, but the food business in the area, there are more failures in the food business than in any other area in our economy. Who pays the highest tax? The food business. The minister says, and I go along with him, that he inherited this but what is he doing about doing away with it or cutting it down to about half or a quarter of that?

The second riskiest business in the world is lodging—the hotel, motel and tourist court operator; the resort operator. What is he doing for them? He wacks on them the highest tax in North America in Ontario.

Mr. Makarchuk: Winkler the great whacker they call him!

Mr. Sargent: I think it is pretty sickening that this minister can come back into this House and say we are going to look into it and do these things. I would like him to tell me before I sit down—I will be back in a

minute again—what is he going to do. What is he going to tell his people in regard to this, the highest tax in North America, through his department, on the resort and the food industries?

Mr. Chairman: I might just point out that is a budgetary consideration and not the Minister of Revenue's consideration.

Mr. Sargent: I do not know—where can we talk about it then?

Mr. Chairman: You may ask the same questions of the Treasurer. This is where the policy is—

Mr. Sargent: I am talking about The Retail Sales Tax Act and you should know I am on target.

Mr. Chairman: No, you are not.

Mr. Singer: Sure, retail sales tax and the amount of it.

Interjections by hon. members.

Mr. Sargent: And do not take the minister off the hook because he can stick it better than you can.

Mr. Chairman: Just a moment. Whether it is five per cent or 10 per cent or whatever it is, is a matter for Treasury not the Minister of Revenue.

Mr. Sargent: Well, I am against it.

Mr. Chairman: Your comments are more suited toward the Treasurer.

Mr. Sargent: All right. You just run your chair and I will run this chair.

Mr. Chairman: I am trying.

Mr. Sargent: You are doing a good job. Now could the minister tell me what he is doing about it?

Hon. Mr. Winkler: I would like to inform the hon. member in the House, Mr. Chairman—I am not saying that the questions were improperly put—the tax on accommodation is five per cent and not 10 per cent. Although the tax, in fact, on food is 10 per cent, we have the highest exemption of any province in the Dominion of Canada.

Mr. Sargent: Name them!

Hon. Mr. Winkler: I can name every one. I could name you every one, but it is a fact there is—

Mr. Sargent: You are taxing hamburgers and Coca-Cola here. A bottle of pop you are taxing.

Hon. Mr. Winkler: Well maybe. I think that the hon. member should just accept what I am saying to him because we have the highest exemption of any province in the Dominion of Canada. That is the balancing point as far as I am concerned.

As I said, the tax on accommodation is five per cent; he may not have meant that it was 10 per cent. It is not out of line with other taxes and if we shifted it, it would have to be shifted to some other place. We think, by way of comparison, that this is fair.

Mr. Chairman: The member for—

Mr. Sargent: Hold on!

Mr. Chairman: On this vote?

Mr. Sargent: On this vote. Prepared meals are taxed at the rate of 10 per cent which applies to each meal sold for more than \$2.50. All right. Now where is the exemption there?

Hon. Mr. Winkler: Two dollars and fifty cents.

Mr. Sargent: You pay 25 per cent on—

Interjections by hon. members.

Mr. Sargent: Where is the exemption?

Mr. A. K. Meen (York East): The first \$2.50.

Mr. Sargent: Come on, you do not mean— all right, if you go in a restaurant and you have four people and you have a check for \$12—

Mr. Makarchuk: The trouble with the member for Grey-Bruce is that he has never had a meal under \$2.50.

Hon. Mr. Winkler: I had two of them today.

Mr. Sargent: How can you buy a meal for less than \$2.50 anywhere? A shrimp cocktail costs you \$1.85 and a coffee costs you 50 cents. Before you even start you have got \$2.50.

An hon. member: Oh, no!

Mr. Singer: Sure you have.

Hon. Mr. Grossman: You have been attracting the wrong company.

Hon. Mr. Winkler: Mr. Chairman, are we reading from the—

Mr. Chairman: The hon. member for Brantford?

Hon. Mr. Grossman: I paid 80 cents for lunch.

Mr. Paterson: You should eat at Ontario Place. It will cost you \$20!

Interjections by hon. members.

Hon. Mr. Winkler: I wonder if we are reading from the same tax bulletin, May, 1971? Because it is quite clear in regard to the item under prepared meals. I will read it to him: "Tax at the rate of 10 per cent applies to each meal sold for more than \$2.50. Each meal of \$2.50 or less is exempt."

Now, there it is.

Mr. Sargent: Is that not a big deal?

Hon. Mr. Winkler: If you want me to, I will put the others on the record for you. Okay, let us go: Newfoundland, seven per cent over eight cents; PEI, eight per cent over \$1—

Mr. Sargent: Ten per cent! It is 10 per cent.

Hon. Mr. Winkler: Nova Scotia, seven per cent over \$1; New Brunswick, eight per cent over \$1; Quebec, eight per cent—

Mr. Sargent: On a point of order, Mr. Chairman! Where does the minister know that he can get a meal for less than \$2.50 in my riding? In any riding? Where can he get a meal for less than \$2.50? Tell me, where can you get a meal for less than \$2.50?

Interjections by hon. members.

Hon. Mr. Grossman: Come into our riding.

Mr. Makarchuk: On the second floor. It is not a meal, but it is something.

Mr. Sargent: And it will cost you more than that for a meal in a dry hotel I run.

Mr. Chairman: Order please!

Mr. Sargent: On a point of order!

Mr. Chairman: Just a minute. I am on a point of order. The point of order is that this particular direction of discussion is out of order.

Mr. Singer: No.

Mr. Chairman: Yes, it is. This minister collects the revenue; he does not set the policies.

Mr. Sargent: I want to know what he is doing about lowering the taxes.

Mr. Chairman: He has nothing to do with lowering them; it is not this department's work.

Hon. Mr. Grossman: Put it on the record.

Interjections by hon. members.

Hon. Mr. Grossman: The minister should be allowed to answer.

Mr. Sargent: How does the minister justify a five per cent tax on luxury things like diamonds—

Mr. Chairman: This is not this minister's department.

Mr. Sargent: Just a moment; we are talking about retail sales tax, right?

Mr. Chairman: No, not the setting of the tax. That is the Treasurer's department.

Mr. Sargent: How do you define who sets the tax? What is his job?

Mr. Chairman: He collects it.

Mr. Sargent: Does he have anything to do with policy at all?

Mr. Singer: Of course he does.

Mr. Sargent: What are we paying him for then?

Mr. Singer: Of course he does.

An hon. member: I do not know.

Mr. Sargent: All right, Mr. Chairman, okay.

Hon. Mr. Grossman: If you do not like the way he collects it, that is the time to criticize.

Mr. Sargent: I do not like the way you do anything at all.

An hon. member: I disagree with you.

Interjections by hon. members.

Mr. Singer: He puts out a bulletin about it, so it is fair game.

Mr. Chairman: No, he just collects it.

Mr. Sargent: They are charging a tax on soft drinks—you buy a bottle of pop—

Mr. Singer: Mr. Chairman, on a point of order.

This minister puts out these bulletins when he explains what the taxes are, and surely when his votes come up it is fair that my colleague from Grey-Bruce can ask him about them. If he does not want to, then the minister has no right to put out bulletins—and I do not deny him the right to put out bulletins.

Hon. Mr. Grossman: Do you want an answer on your point of order?

Mr. Chairman: On the point of order, this minister collects the money; he does not set policy.

Mr. Singer: Yes, but he talks about how it is collected.

Mr. Chairman: No, no!

Mr. Sargent: I do not think it is in the area of the Chair to tell me how I talk about retail sales tax.

Mr. Singer: Right!

Mr. Sargent: If you do not like the way I talk about it, then you had better get somebody else to take the Chair. Because I am going to talk about it.

Mr. Chairman: No, you are not. If you are going to—

Mr. Sargent: Yes, I am. I am talking about retail sales tax, and I am going to talk about some other things.

Mr. Chairman: No, you are not. Order, please!

This is the Minister of Revenue, the minister responsible for collecting the tax; not setting the rates of tax. I point that out again.

Mr. Sargent: We have his shiny picture here; he sent me a bulletin with his picture.

Hon. Mr. Grossman: Well do you not like the picture?

Mr. Sargent: One of the rare politician pictures.

Mr. Chairman: This has nothing to do with setting the rates of taxes. The member for Brantford has the floor.

Interjections by hon. members.

Mr. Chairman: I rule the member out of order. The member for Brantford has the floor.

Mr. Singer: No, on a point of order, Mr. Chairman, I have to challenge your ruling.

Mr. Chairman: All those in favour of the Chairman's ruling will please say "aye"; those opposed will please say "nay." In my opinion the "ayes" have it.

Mr. Sargent: Mr. Chairman, I want to stand up and speak on this vote.

Mr. Chairman: Call in the members.

The House divided on the Chairman's ruling, which was upheld on the following vote.

Clerk of the House: Mr. Chairman, the "ayes" are 42, the "nays" are 15.

Mr. Chairman: I declare the Chairman's ruling upheld.

Hon. Mr. Wishart moves the committee rise and report a certain resolution and ask for leave to sit again.

Motion agreed to.

The House resumed, Mr. Speaker in the chair.

Mr. Chairman: Mr. Speaker, the committee of supply begs to report a certain resolution and asks for leave to sit again.

Report agreed to.

Mr. E. Sargent (Grey-Bruce): I am against that too!

Hon. A. A. Wishart (Minister of Financial and Commercial Affairs): Mr. Speaker, tomorrow the House will continue with the estimates of The Department of Revenue, and if they are—

Mr. Sargent: That is pretty useless, you cannot ask any questions.

Hon. Mr. Wishart: —if they are concluded then we will deal with order number 4 on the present order paper, in the Committee of the Whole House certain bills.

Mr. W. G. Pitman (Peterborough): Before the motion to adjourn is put—

Mr. Speaker: The hon. member for Peterborough.

Mr. T. P. Reid (Rainy River): What bills?

Mr. Pitman: I wonder if I could ask the House leader if, a little further on, assuming that we complete The Department of Revenue estimates and second readings, could the

House leader indicate what other estimates might be coming before the House tomorrow?

Hon. Mr. Wishart: Yes, I will answer both those questions, Mr. Speaker. Under order number 4 there are four bills which are before Committee of the Whole House.

Mr. T. P. Reid: Do them all?

Hon. Mr. Wishart: Yes. Bill 43, Bill 48, Bill 52 and Bill 57, I think we might proceed with those. It is my intention that The Department of Municipal Affairs estimates will come before the House next. I should inform the members of the House that, speaking with the minister of The Department of Municipal Affairs (Mr. Bales) a moment ago, he is ill and confined to bed at the moment, but I think he will be able to go on as soon as we are ready for him.

Mr. Sargent: Put the Minister of Trade and Development (Mr. Grossman) on it, it is all right.

Hon. Mr. Wishart: If he is not well enough to do so then it will be Education.

Mr. I. Deans (Wentworth): Mr. Speaker—

Mr. Speaker: The member for Rainy River.

Mr. Deans: Mr. Speaker, I wonder if it would be possible to ask the House leader if he might give us a rather more extended list of the estimates that are proposed to come before the House? It is conceivable that we could possibly go on to Municipal Affairs tomorrow. I suggest to the House leader that it is not nearly adequate notice. The ministers get much more notice than this—

Mr. R. G. Hodgson (Victoria-Haliburton): You had about 12 months.

Mr. Deans: —of the intention to bring their estimates before the House, and I think it is only fair the opposition should have similar kind of notice.

Mr. L. C. Henderson (Lambton): Prepare for tomorrow.

Hon. Mr. Wishart: Mr. Speaker, there are only, I think, as I reckon it, six departments I believe left for the House. Labour is presently before committee, followed by Tourism and Information, and Transportation and Communications, those are the committee ones.

Now for the House there are four major departments left: Education, Municipal Affairs—which I mentioned—the Attorney General, and Trade and Development.

Mr. T. P. Reid: He is saving the best to the last.

Hon. Mr. Wishart: No, I have not given any order to those. I told the House a moment ago that Municipal Affairs, I thought, would go first. But if the minister is not well enough to face the House with his estimates by tomorrow evening or Thursday, then I would expect Education, then the Attorney General, and Trade and Development. That is the order. Then there is left the Prime Minister's department and The Department of the Treasury and Economics; so I do not consider those of great length.

Mr. T. P. Reid: In other words, anything that is left to do.

Hon. Mr. Wishart: But there are only four main departments left; I have named them and I have indicated the order in which they should go. Is there anything else I can say on them?

Hon. A. Grossman (Minister of Trade and Development): Is it suggested the Prime Minister's is not a main department?

Mr. E. W. Sopha (Sudbury): Yes, where are the Lieutenant Governor's estimates? You people are such strong monarchists why do you leave him to the last?

Hon. Mr. Wishart moves the adjournment of the House.

Motion agreed to.

The House adjourned at 10:40 o'clock, p.m.

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Legislature of Ontario Debates

OFFICIAL REPORT — DAILY EDITION

Fourth Session of the Twenty-Eighth Legislature

Tuesday, June 15, 1971
Afternoon Session

Speaker: Honourable Fred McIntosh Cass, Q.C.
Clerk: Roderick Lewis, Q.C.

THE QUEEN'S PRINTER
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1971





BY APPOINTMENT

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(Daily index of proceedings appears at back
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HOUSE OF COMMONS - TWENTY-SEVENTH

Fourth Session of the Twenty-Seventh Parliament

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LEGISLATIVE ASSEMBLY OF ONTARIO

TUESDAY, JUNE 15, 1971

The House met at 2 o'clock, p.m.

Prayers.

Mr. Speaker: This afternoon we have as our guests, in the east gallery, students from Heatherbrae Public School in Rexdale and Spanish Public School from Spanish; in the west gallery, students from Senior Public School in Collingwood. Later this afternoon we will have students here from Grafton Public School in Grafton.

I thought that perhaps the members of this House would like to know that today there is something new being inaugurated, not here, but as among Canadian Parliaments. We are members of the Commonwealth Parliamentary Association, Ontario branch. Mr. Speaker Lavoie and myself arranged a year ago that we would start what is contemplated to be an exchange of parliamentarians between the various legislative assemblies of Canada, provincial assemblies, and that as soon as it was possible this would be done.

I am pleased to advise the House that today the Deputy Speaker, Mr. Reuter, with Mr. Gordon Smith of Simcoe East, Mr. Donald Deacon of York Centre and Mr. Donald C. MacDonald of York South are guests of the National Assembly of Quebec. They will be there for two or three days. We hope later to entertain a delegation of three or four members of their assembly while our House is in session. If this particular experiment works, it will be carried out across the country and, I hope, encourage a much greater liaison and friendship between the legislators in the provincial Legislatures of Canada.

Statements by the ministry.

Oral questions.

ROYAL COMMISSION ON BOOK PUBLISHING

Mr. V. M. Singer (Downsview): Mr. Speaker, I have a question of the Minister of Financial and Commercial Affairs (Mr. Wishart). In relation to the tabling of the report of Mr. Rohmer and his other com-

missioners yesterday, would the minister be able to arrange some kind of a meeting between that commission and members of this House—perhaps one of the committees—so that we could hear from it more of the implications that are hinted at in its report, and perhaps more of the details that were reported in the press and which were not made available to us in the House?

Hon. A. A. Wishart (Minister of Financial and Commercial Affairs): Mr. Speaker, I certainly would be glad to take that suggestion—which is really, I think, perhaps in the nature of a request that this be done—under consideration. I would like of course, to discuss it with the Prime Minister (Mr. Davis) who will return tomorrow or Thursday morning, and I think this might be a very advantageous thing to do.

Mr. Singer: By way of supplementary: Would the minister not agree that there would appear to be greater ramification and greater worries in the minds of the commission than appeared in the written portions of their report and that the members of the Legislature and the public should, perhaps, know the full extent of their concern?

Hon. Mr. Wishart: Mr. Speaker, yes. To give a positive and direct answer, yes. There was considerable background material behind the formal report and I am not sure how far the commission will make that known, or how far the chairman wants to do it at this time, but I understand that the commission is planning to hold further hearings. So I will certainly take the whole matter under consideration and discuss it with the Premier particularly, and my colleagues, and see what may be done.

Mr. Speaker: Supplementary?

Mr. W. G. Pitman (Peterborough): Yes, I wonder if I could ask the Minister of Financial and Commercial Affairs a supplementary question. In view of the legislation that was introduced in this Legislature yesterday, in view of the very extraordinary powers which are given to the police in relation to this legislation, could the minister indicate whether there is any spinoff in terms

of censorship in relation to books and periodicals which might come under that legislation?

Hon. Mr. Wishart: The member said to police—

Mr. Pitman: Yes, I think the government, in relation to examining all of the materials which so far as the legislation is concerned relate to American ownership and financial activities, but is there any other responsibility beyond that simple narrow consideration in relation to that legislation?

Hon. Mr. Wishart: The answer, Mr. Speaker, is no. First of all, I think there is no mention of police in the bill; no powers to police. There are policing powers perhaps in a sense that the department, the director or the registrar, may examine premises and books.

Mr. Singer: There is a specific statement in the Act that there is no relation.

Hon. Mr. Wishart: I was coming to that. I think it is section 10. I have not got the Act in front of me. There is a specific section in the Act which makes it clear that in no way is it a censorship piece of legislation. You will find the section—I am not sure—but it may be section 10.

Mr. Singer: Quite right.

Mr. Pitman: A further supplementary: Would it be possible for materials to be identified and passed over to other authorities within the government which could then be used in the area of censorship of books and periodicals?

Mr. Singer: It is a debate on the bill.

Hon. Mr. Wishart: I suppose one could argue perhaps philosophically that maybe one of the powers that a registrar may exercise would be on the nature of the materials which were being distributed, but I think that there is certainly no intention in the Act to go into the field of censorship. We specifically discussed this and put a section in the Act to make it clear that it was not our intent and I would further add that in the bill the members will find the power to review, appeal and it is up to the court for final decision.

ADOPTION OF PART 10 OF BANKRUPTCY ACT

Mr. Singer: Mr. Speaker, a further question of the Minister of Financial and Com-

mercial Affairs: Could the minister advise if and when the government is going to adopt part 10 of the federal Bankruptcy Act, particularly in view of the recent statement by the legal aid body that they are unable to help small debtors and in view of the fact that part 10 of the federal Act is designed for this very purpose?

Hon. Mr. Wishart: Mr. Speaker, we discussed the matter of the adoption in Ottawa with the federal Minister of Corporate and Consumer Affairs and with opposite numbers in all the provinces. Some provinces have adopted part 10 of The Bankruptcy Act.

It was our position there at that time—it was May 25 and 26—that we had not moved toward the adoption of that section for reasons which our studies indicated to us made such a course not desirable. However, in the light of developments and the further studies we are carrying on, we may come to that adoption. I do not know.

I cannot answer the hon. member's question as to when. There is something I would still have to clear with the government and I have not made a recommendation to that effect yet. The study is continuing.

I had occasion to discuss this in my estimates the other day. We had an opinion from the Attorney General's department on this whole matter—the cost to the province—last year. There was no clear situation as to whether the federal government would move in and assume the cost which this legislation would cause, as I say, either to the province or the federal government, in the increase in staff which would be required if division court clerks were to become, in effect, trustees in bankruptcy as it were and to deal with these bankruptcy matters in personal bankruptcy.

We have done a study. The opinion of the Attorney General's department some months ago was not favourable, but we are studying further and I may have something further to say in this session. I cannot give you a date.

Mr. Singer: By way of supplementary, even if the government's studies have not led it to a definitive conclusion, would the minister not agree that something should be done by this province to assist those persons who are in debt, particularly the persons who have not the ability to assist themselves—so-called small debtors—whether it is this way or another way?

Hon. Mr. Wishart: Yes, I think I go along a certain distance, I think I said the other

day, with this approach. We have, of course, consolidation measures in our province and these are used quite frequently. There is some question as to whether a person, having got into a very bad debt position through the use of credit should be given a complete clearance after two or three years while the merchant who has lost the payment is left with that debt unpaid and the individual is allowed to go out again and engage himself in getting into another debt position.

We have been studying these things, and there is some argument both ways. We are looking at it and, as I say, I may be in a position to make recommendations. But I think I would agree with the hon. member to the extent that perhaps there is some course—maybe not exactly the course the federal government proposes in its coming supplementary legislation; I am not sure I entirely agree with that approach.

Mr. Singer: By way of further supplementary, would the minister not agree that when someone has got into such financial difficulty that bankruptcy is the only way out, and he has \$500 and can engage a trustee, then in due course he is given a clean bill of health, whereas the smaller person getting into the same kind of difficulty and not having the \$500 is made to suffer endlessly?

Hon. Mr. Wishart: That is a cogent argument: I am aware of it. We will have something further to say.

REPORT OF FRANCHISES COMMITTEE

Mr. Singer: Mr. Speaker, I have a further question of the Minister of Financial and Commercial Affairs: Could the minister advise us when the report of the minister's committee on franchises, which I understand was delivered to him around the first of this month, is going to be made public?

Hon. Mr. Wishart: I am looking at that report, Mr. Speaker, I am inclined to think it is probably a report that I will be able to make public, and I will be able to state definitely what my decision will be in a very few days.

SALE OF SUMMER PROPERTIES

Mr. Singer: Mr. Speaker, I have a further question of the same minister. In view of the fact that the minister had addressed to

him a letter by one, Gordon Ramsden, president of the Hillview Ratepayers Association, complaining about the activities of a G. W. Prue and a company called Lakeland Properties Limited in relation to the sale of summer properties, has the minister and/or his departmental officials determined on any course of action in relation to this particular complaint?

Hon. Mr. Wishart: Mr. Speaker, I will have to take that question as notice and get the hon. member an answer. I will do so promptly.

Mr. Singer: Mr. Speaker, by way of supplementary, at the same time the answer is being prepared—

Mr. Speaker: This will be a further question, because it has been taken as notice.

Mr. Singer: In this kind of complaint, could the minister advise us whether or not there are other remedies available than just the checking on real estate licences, because of the inability of his department, apparently, to function if the person who is alleged to have committed certain unfair or improper actions does not have a licence? Are there not avenues of investigation in relation to charges under The Criminal Code and that sort of thing?

Hon. Mr. Wishart: I was going to say, Mr. Speaker, if an action is fraudulent, if someone had his money taken from him by way of deceit or fraud, certainly there is criminal action, but that will be a part of my review of the first question and in my answer.

ALLEGED OVERUSE OF HAMILTON HOSPITALS

Mr. Singer: Mr. Speaker, I have a question of the Minister of Health: Would the minister advise us as to what action he is taking in relation to an investigation conducted in Hamilton by Dr. Feldman, who indicated that, in his opinion, there were far too many patients in two Hamilton hospitals and that many of them could have been treated in a better fashion in their own homes?

Hon. A. B. R. Lawrence (Minister of Health): I have not seen the report, Mr. Speaker, but perhaps the question could go on the order paper.

LEGISLATION DEALING WITH NON-RETURNABLE BOTTLES

Mr. Singer: I have a question of the Minister of Energy and Resources Management. Could he tell us when he is going to bring forward legislation dealing with non-returnable bottles?

Hon. G. A. Kerr (Minister of Energy and Resources Management): I hope, Mr. Speaker, before we adjourn.

Mr. T. P. Reid (Rainy River): May I ask by way of supplementary, if this will be part of the omnibus bill the minister indicated he was going to introduce, including The Environmental Council of Ontario Act?

Hon. Mr. Kerr: Yes; I am hoping that will be the case.

Mr. Speaker: Has the member for Downsview further questions?

Mr. Singer: No.

Mr. Speaker: The member for Peterborough.

DISTRIBUTION OF PAPERBACKS AND PERIODICALS

Mr. Pitman: Yes; Mr. Speaker, I wonder if I could pursue by one more question the Minister of Financial and Commercial Affairs' statements on his bill introduced yesterday. Perhaps I might begin by correcting him. In section 10, there is definite mention of the police. Section 2 states "issue an order authorizing the person making the investigation, together with such police." May I ask the minister whether there is a safeguard in terms of the problem of censorship, whereby investigations under this Act will not in any way be used by those who might be wishing to investigate for other purposes, for example, for censoring either books or periodicals?

I do not know whether the Minister of Financial and Commercial Affairs has heard my question.

Mr. H. Peacock (Windsor West): No, he has not—

Mr. Pitman: I think he is rewriting the legislation. If the minister is already writing the legislation he was speaking of a few minutes ago—

Hon. Mr. Wishart: I was rearranging the business of the House.

Mr. Pitman: I can assure you, Mr. Speaker, that there is nothing that we would rather have the House leader doing at the present time. If he could rearrange it for the next two or three eweeks, we would be glad to sit down and give him the time.

However, I wonder if I could just pursue this piece of legislation. I think the minister's comment said that the police were not mentioned in the bill. I think they are mentioned in section 10, that the police can force an investigation. What I am wishing to determine is whether the materials collected or seen by the police investigation to try to ascertain the ownership of a particular news distributor, whether this information can be used in relation to book or periodical censorship?

Hon. Mr. Wishart: Mr. Speaker, whatever powers the police have are simply in the manner of investigation and the obtaining of material but, as I said before, I think the Act is distinctly designed not to be a piece of censorship legislation.

Mr. Speaker: It would appear to me that further questions along this line would be out of order because the bill will be before the House and this will be a proper subject for debate on second reading.

WATERS AS PUBLIC RESOURCES

Mr. Pitman: I agree, Mr. Speaker.

I wonder if I could direct a question to the Minister of Lands and Forests. I wonder if he has read or studied the statement made by his counterpart in the Province of Quebec that henceforth the waters of streams, lakes and rivers of Quebec are to be regarded as public resources, and legislation will be based upon that philosophy from now on, and whether he might wish to make a statement that comparative legislation might be forthcoming in Ontario.

Hon. R. Brunelle (Minister of Lands and Forests): I would be pleased to look into it, Mr. Speaker.

INVESTIGATION OF HOSPITALS' ADMINISTRATIVE PRACTICES

Mr. Pitman: I will not pursue that one. I wonder if I could direct a question to the Minister of Health.

I think in his statement last night in regard to the investigation of administrative practices in the hospitals of Ontario, he had not at that point determined what nature that investigation would take. Could he indicate to the House whether it will be either a select committee, a committee of the House or someone in his department or whether some other means of investigation will be pursued?

Hon. A. B. R. Lawrence: No, I cannot as yet, Mr. Speaker.

Mr. Pitman: I wonder if the minister could indicate when he intends to begin this investigation and when the report might be expected? What time period does he have in mind?

Hon. A. B. R. Lawrence: A lot depends, Mr. Speaker, on the decision as to what form or vehicle will be used for the investigation. When that decision is made I will be able to speculate on the question of time.

Mr. Pitman: As a final question, I wonder when the minister intends to have that decision made? One would have thought that when he introduced the concept of investigating the hospitals of Ontario he must have had something in his mind as to the nature of the investigation. When could he expect to have the information available to the House?

Mr. E. W. Sopha (Sudbury): The hon. member gives the minister the benefit of the doubt. He says the minister has something on his mind.

Hon. A. B. R. Lawrence: Which is a compliment.

Mr. Sopha: Yes, it is.

Hon. A. B. R. Lawrence: And I shall accept it. If, for instance, it were to go to a select committee of this House, Mr. Speaker, we would be dealing with something that would be in quite an extended time frame. If it were to be simply an investigation through my department, of course we could cut our costs insofar as time is concerned and have an early report.

My feeling at the moment, Mr. Speaker, is that the subject is so significant and so widespread—in other words, it gets very quickly into the fields of education and medical education—that it probably deserves a thorough study. Again, we might be dealing here with something involving six months to a year.

Mr. Pitman: I wonder if I might just ask the minister whether he would not regard it as important and significant that there be public hearings, and that there be an opportunity for all those who are involved with hospitals across Ontario to have some input? In other words it should be a public commission or a public hearing of a committee of this House rather than someone in his department carrying out this investigation.

Hon. A. B. R. Lawrence: Mr. Speaker, I agree, and I think I mentioned this yesterday in reply to a question, that any investigation of this kind should be public. The fact that it would be handled within the department by a ministerial committee does not necessarily conflict with the operation itself being public, and so my undertaking as to public input is general and total.

Mr. Speaker: A supplementary? The member for Peterborough? The member for Renfrew South has a question?

Mr. P. J. Yakabuski (Renfrew South): Mr. Speaker, I do not believe the minister I wanted to direct my question to is in the House at the moment.

Mr. Speaker: The Hon. Minister of University Affairs has the answer to a question.

NOVA LASER SYSTEM

Hon. J. White (Minister of University Affairs): Mr. Speaker, I now have information in reply to a question asked by the member for Kent (Mr. Spence) and the question was:

Is it true equipment owned by the University of Windsor, known as the Nova Laser System, is being used by a contractor in the Province of Ontario, which other construction companies feel is unfair competition?

The answer is no. The following information was obtained from Mr. Mitchell, the vice-president of administration of the university.

The University of Windsor is trying to develop laser transit equipment. However the development process has not reached the stage where the equipment is ready for testing in the field, nor has the university been in contact with any contractor concerning the use of the equipment for testing purposes. It is, therefore, not true that laser equipment owned by the university is being used by a contractor in such a manner that it represents unfair competition to other contracting companies in the province.

Mr. Speaker: Supplementary? No. Then the Minister of Energy and Resources Management also has the answer to a question.

VIOLATIONS OF HAMILTON'S WASTE DISPOSAL BYLAW

Hon. Mr. Kerr: Mr. Speaker, I was asked yesterday by the member for Hamilton East (Mr. Gisborn) about press reports that there were 28 violations of Hamilton's waste sewage disposal bylaw.

I have now had an opportunity to make inquiries and say that as a result of checks made by the city engineer's sewer inspection crew, some 28 firms were found to be discharging waste into the sewer system which contravenes the provisions of the city bylaw. In some cases this was a regular occurrence.

All these wastes are transported via collector sewers to the city's Woodward Avenue sewage treatment plant and do not directly enter the harbour.

The city has not at this time laid any charges against these companies. These violations are, of course, against a municipal bylaw, but I have asked officials of OWRC to look into the possibility of these wastes passing through the treatment plant into the harbour in their original form. In this case we, of course, would enter the picture.

I was also asked, Mr. Speaker, yesterday by the member for Wentworth (Mr. Deans) whether or not all of the companies involved were notified in advance of the violations being filed. I am informed that this matter became public when the city's pollution advisory committee requested a report on the work of the sewer inspection crew. Discussions have been held with some of the companies named in the press report, but apparently, as I say, no charges have been laid as yet.

Mr. Speaker: Supplementaries? If not, the member for Renfrew South now has the floor.

OPENING OF QUEEN'S PARK TO VISITORS ON WEEKENDS

Mr. Yakabuski: Mr. Speaker, I have a question of the Minister of Public Works. Has the minister given consideration to opening the buildings here at Queen's Park for the visiting public on Saturdays and Sundays?

Hon. J. A. C. Auld (Minister of Public Works): Mr. Speaker, as Minister of Public Works I have not.

There has been no request, to my knowledge. However, in my previous portfolio there was a suggestion made—I think several times—that the buildings should be open on the weekend, and this, of course, has to do with your office as well, Mr. Speaker.

At that time, because of the physical layout of this building it was determined that it was going to be extremely costly to do this in terms of staff, not only to show visitors around but also to cover those areas which are physically open and which do not have staff on the weekend.

I would think that it would be a decision for Mr. Speaker in the first place and perhaps the Minister of Public Works and the Minister of Tourism and Information (Mr. Guindon) on the second part in terms of budget.

Mr. J. E. Bullbrook (Sarnia): By way of supplementary, does the minister not—

Mr. Speaker: The hon. member for Renfrew South has a supplementary?

Mr. Yakabuski: In view of the fact that the House of Commons is open to the public and visitors on weekends, and in view of the great number of people I am told that are interested in visiting Queen's Park on Saturdays and Sundays, perhaps the minister, and, the overlapping jurisdictions here—such as the Provincial Secretary's office and the Speaker's office, I am sure, would be interested and concerned also.

Mr. Speaker: What is the question?

Mr. Yakabuski: Would the minister have his people look into the possibilities of at least opening for that period from mid-May to Thanksgiving?

Hon. Mr. Auld: Mr. Speaker, I feel I am a bit in the middle here inasmuch as Mr. Speaker is also involved. I understand that not all of the main block of the House of Commons is open on days on which the House is not sitting, but we would certainly be delighted to see what, as far as Public Works is concerned, the cost might be and pursue the matter further to see if it might be possible.

Mr. Speaker: The hon. member for Sarnia has a supplementary?

Mr. Bullbrook: By way of supplementary, does the minister not see an inherent incongruity in the government's expression of concern as to the cost of opening this building when other buildings such as Ontario Place are open at much larger costs?

Hon. Mr. Auld: Really I do not see the relation of that question, Mr. Speaker. Ontario Place is designed to be open seven days a week. I do not think that these buildings were originally designed for that purpose.

Mr. Bullbrook: One further and last supplementary: Does the minister not regard this building as the most eminent public building in the Province of Ontario?

Hon. Mr. Auld: Of course, Mr. Speaker.

Mr. Speaker: Has the hon. member for Sudbury a supplementary?

Mr. Sopha: I should like to ask the minister, if he considers this suggestion seriously, whether he would also consider approaching the press gallery to ask them if they would join in by way of opening any amenities they may have on Saturday and Sunday?

Hon. Mr. Auld: I suppose, Mr. Speaker, that that question should be directed in some fashion to the president of the press gallery.

Mr. Speaker: Any further supplementaries? If not, the hon. member for Rainy River.

MERCURY CONTENT OF COAL

Mr. T. P. Reid: Thank you, Mr. Speaker. I have a question of the Minister of Energy and Resources Management. Is the minister aware, or is his department aware of, and have they made any investigation into—the research by an American scientist in regard to the fact that coal and the burning of coal may be a potential source of mercury in the environment?

Hon. Mr. Kerr: Yes, Mr. Speaker, I think there have been previous research observations to the effect that there is a certain degree of mercury in coal dust.

Mr. T. P. Reid: By way of further supplementary: Is the minister's department carrying out any research itself? Is there any plan within the department to restrict the burning of coal which could possibly be polluting the environment with mercury?

Hon. Mr. Kerr: Mr. Speaker, the important thing, I think, is the storage of coal and the retention of coal, the elimination of as much coal dust into the atmosphere as possible. I really do not know how we could completely eliminate the use of coal in Ontario, for example.

Mr. Speaker: A further supplementary? The hon. member for High Park.

ALLEGED SWINDLE IN NEW YORK

Mr. M. Shulman (High Park): A question of the Minister of Financial and Commercial Affairs, Mr. Speaker: Has his department investigated, or is it investigating, the \$40 million bank and insurance companies swindle which was revealed in New York yesterday and which is headed by a Torontonian, a certain Mr. Singer?

Interjections by hon. members.

Mr. T. P. Reid: I find that hard to believe!

Mr. Shulman: His initials are H. L.—Herbert Lyon Singer.

Hon. Mr. Wishart: Mr. Speaker, I have not got around to that yet, but in view of the parties involved and the names, I certainly will be pursuing it.

Mr. Singer: Let me know where the money is!

Mr. Speaker: The hon. member for Windsor-Walkerville.

EVICTED OF ARROW LESSEES

Mr. B. Newman (Windsor-Walkerville): Thank you, Mr. Speaker. I have a question of the Minister of Financial and Commercial Affairs. Is the minister aware that Arrow Petroleum in Windsor is evicting four lessees this week because the lessees refused to allow the company to set gas prices? Is the minister aware that Arrow Petroleum is apparently trying to control the price at which the dealer will sell gas by putting into the lease agreement that the company has this right? Will the minister look into this situation and what will the minister do about it?

Hon. Mr. Wishart: Mr. Speaker, I will make myself aware of it. I cannot tell the hon. member what I will do because it is a contract arrangement between the lessee and

the company. It may be a binding, legal, proper agreement. It may be reprehensible in its terms, I do not know and I do not know what power we might have to interfere. I will certainly examine it to see if there is anything we can do.

Mr. B. Newman: A supplementary, Mr. Speaker: Could the minister not be looking into the contract and should he not interfere to see that no such type of arrangement is in a contract?

Hon. Mr. Wishart: Yes, I should, Mr. Speaker, and I have. We have a committee working on the matter of franchising and I have the report in my hand. I answered the member for Downsview a few moments ago that I was examining that report and probably would make it public.

It makes certain recommendations and we will probably be acting on it, too. We are looking into that whole area of franchising, pyramid referral sales, and so on—the franchising particularly—and I can tell the hon. member that there are references in that study, recommendations, with respect to franchising. We are not idle in this matter.

Mr. Speaker: The member for Brantford.

TRAFFICKING IN COMMERCIAL FISHING LICENCES

Mr. M. Makarchuk (Brantford): I have a question of the Minister of Lands and Forests, Mr. Speaker. Will the minister permit trafficking in commercial fishing licences in the Lake Huron and Georgian Bay areas?

Hon. Mr. Brunelle: We do not permit any trafficking in licences, Mr. Speaker.

Mr. Makarchuk: A supplementary, Mr. Speaker; Is the minister aware that negotiations are going on between various fishermen at the moment regarding the sale of fishing rights from one fisherman to another?

Hon. Mr. Brunelle: Mr. Speaker, we do allow the transfer of licences, but I am not aware of any trafficking. If the member has any information on it, I will be pleased to have it.

Mr. Makarchuk: A further supplementary: Is the minister aware that transfers which are being negotiated or considered at the moment involve the exchange of money?

Hon. Mr. Brunelle: No.

Mr. Speaker: The member for Ottawa Centre.

OIL POLLUTION OF RIVER

Mr. H. MacKenzie (Ottawa Centre): A question of the Minister of Energy and Resources Management. Is the minister familiar with the problem of an oil slick on the Tay River in Perth? Secondly, is the department now using the police to check sources of pollution as reported in the Ottawa newspaper on Friday last week? Does the minister have any further information on this problem in Perth?

Hon. Mr. Kerr: Mr. Speaker, somebody just handed me this clipping from the Ottawa Journal dealing with that particular matter. I note that they are still trying to locate the source of the oil and I also note the reference to the police looking for the source of the oil. I would assume that the municipal officials, really, should call in the regional engineer of OWRC. We could help locate it and take whatever action is necessary.

Mr. Speaker: The member for Kent.

EGGS SEIZED BY QUEBEC

Mr. J. P. Spence (Kent): Mr. Speaker, I have a question of the Minister of Agriculture. Could the minister inform us how many cases of eggs were seized and detained by the Quebec authorities? If so, will the shipper or the producers of these eggs receive any remuneration? Also, when the Supreme Court of Canada hands down its decision—if it hands down that it is unconstitutional to erect barriers between the provinces—will the Minister of Agriculture withdraw Bill 10?

Mr. Speaker: Of course the last part of that question is theoretical and out of order.

Mr. Spence: Right, then will the minister answer the first two?

Hon. W. A. Stewart (Minister of Agriculture and Food): Mr. Speaker, in reply to the first question, I have no knowledge as to how many eggs were seized nor whose they were. The last report I had was that the majority of them were Quebec eggs from their own producers. I have no idea as to what disposition Fedco will make of those eggs which they have seized.

Mr. Speaker: The member for Peterborough.

SPADINA EXPRESSWAY DECISION

Mr. Pitman: I wish to direct a question to the Minister of Transportation and Communications. I would like to know what comment he might have to make on a statement by Mr. Fred Gardiner—who is a prominent member, I think, of the minister's party—that the Spadina Expressway will be built after the next election and that Mr. Davis is just trying to get votes. What is his reaction to that statement which appeared in today's newspaper?

Hon. C. S. MacNaughton (Minister of Transportation and Communications): Mr. Speaker, with the greatest of respect to one of the greatest chairmen of Metro and Metropolitan Toronto citizens, I would have to say that in this instance I simply cannot agree with Mr. Gardiner.

Mr. Pitman: I wonder if the minister would assure the House that the delay in getting the order-in-council has nothing to do with Mr. Fred Gardiner's opinions on the Spadina Expressway.

Hon. Mr. MacNaughton: Mr. Speaker, absolutely nothing to do with Mr. Gardiner's statement.

Mr. Peacock: Nor Mr. Campbells', nor Mr. Day's?

Mr. Speaker: The Minister of Public Works has the answer to a question.

ONTARIO PLACE CONSTRUCTION COMPANY IN RECEIVERSHIP

Hon. Mr. Auld: Mr. Speaker, on May 17, the Leader of the Opposition (Mr. Nixon) asked the following question of the Minister of Trade and Development (Mr. Grossman):

Mr. Speaker, a question of the Minister of Trade and Development: Can he confirm the fact that when Secant Construction, the firm responsible for the building of Ontario Place, went into receivership, the government had to cover \$77,000 worth of NSF cheques in connection with this difficulty?

Mr. Speaker, inasmuch as The Department of Public Works is the agent for The Department of Trade and Development, it seemed

proper that I should answer this question. To date, payments made by the province directly to suppliers, subcontractors and employees for materials supplied and work performed on the Ontario Pavilion as a result of the bankruptcy, amounted to \$1,755,311.70. These payments were all covered by written claims under the Public Works Creditors Payment Act.

Payments to Secant, in the amount of \$792,988.53, were stopped prior to cheque release. Of the payments to date, double payments represent the net value of \$60,396.21.

Interjections by hon. members.

Hon. Mr. Auld: Mr. Speaker, all I can say at this juncture is holy mackerell!

Mr. Makarchuk: Maybe the member for Don Mills (Mr. Randall) could get him a job at the Constellation.

Hon. Mr. Stewart: New attire for the Black Knight?

Mr. E. Sargent (Grey-Bruce): The Minister of Public Works had better forget it.

Hon. Mr. Auld: Yes, if I may, Mr. Speaker, back to Ontario Place.

We understand that there are amounts due for employee deductions such as income tax, Canada Pension, unemployment insurance, Ontario Hospital and delinquent payments to the Ontario Workmen's Compensation Board. As yet we are unable to determine the amount as the receivers are in possession of the records. If it is the intention to pick up these costs, the double payment amount will increase.

Payments for all materials supplied and work performed is still not complete. Many of the subcontractors' progress claims have not yet been approved by the architect and a number of suppliers have never claimed, even though they have been contacted by telephone and letter. There is a balance of \$6,726.97 in the Secant trust account but, of course, we have been unable to obtain its release to the province as it is now under the control of the receivers.

It would appear, Mr. Speaker, that probably something in the area of \$72,000 will be the probable maximum cost to the province as a result of Secant's bankruptcy.

Hon. Mr. Grossman: I hope the member for Downsview noticed that there were no round figures there.

Mr. Speaker: Further supplementary? If not, the member for Essex South.

Mr. D. A. Paterson (Essex South): I think my minister has departed from the House, Mr. Speaker.

An hon. member: All right, what about the 50 cents—

CHANGES IN LEGISLATION ON AUTOMOBILE INSURANCE

Mr. T. P. Reid: I have a question of the Minister of Financial and Commercial Affairs. Is the minister aware of the article in Saturday's Globe in regard to no-fault auto insurance, and the fact that it indicates that this legislation will be introduced this session? May I ask the minister if the legislation, in effect, will be introduced into the Legislature before adjournment in July, or whether it will only be a campaign promise?

Hon. Mr. Wishart: No promises are made of any kind yet, that I know of, Mr. Speaker. I read the article which appeared in Saturday's Globe and it is quite an interesting and, I believe, a factual article. It came, of course, as the hon. member will have noticed, from a member of the committee which has been advising my department on this matter of insurance—the so-called no-fault insurance—and those were the recommendations that were, I think, fairly accurately set out by that committee to the department.

I can tell the House, in looking at those recommendations and working very closely with the committee, I have still to conclude my discussions with my colleagues. I hope that I will be able to conclude those shortly and then tell the House what we have arrived at.

Mr. T. P. Reid: Thank you. By way of supplementary then, if, according to the minister, it was written by a member of the committee and the article reads: "Although the Premier has requested strict secrecy—" can he indicate why this article was written in the first place?

Hon. Mr. Wishart: If the hon. member reads the article carefully, he will see that it is attributed to a member of that committee. It is right in the article.

Mr. Speaker: The member for Cochrane South.

Interjections by an hon. member.

Hon. Mr. Wishart: Not from my department.

Mr. T. P. Reid: By way of supplementary, why is this allowed when—

Mr. Speaker: There will be no further supplementaries. The member for Cochrane South has the floor.

PhD PILOT COURSE

Mr. W. Ferrier (Cochrane South): Mr. Speaker, I have a question of the Minister of Health. Will the minister give full consideration to the pilot project being carried out by the University of Miami whereby PhDs are being given a two-year course in medicine with a view to considering its applicability in Ontario in terms of meeting the present doctor shortage and in providing further opportunity in medicine for our own Ontario young people?

Hon. A. B. R. Lawrence: Yes, Mr. Speaker.

Mr. Yakabuski: The member does not like the Yankee system.

Mr. Speaker: The member for Essex South.

INCREASE IN SALES TAX REVENUE

Mr. Paterson: I have a question of the Minister of Revenue. Could the minister advise the House as to the total amount of the substantial increase in revenue for the first five months of this year attributed to the retail sales tax, as he indicated last night?

Hon. E. A. Winker (Minister of Revenue): When my estimates are before us again this afternoon for discussion, I will endeavour to produce that figure for the hon. member.

Mr. T. P. Reid: We cannot ask the minister any questions. All he can do is think about them.

Mr. Speaker: A supplementary?

Mr. Paterson: Yes, Mr. Speaker. I believe that particular vote has passed. I might ask a further supplementary. Have the total revenues of the province from other sources increased in substantial amounts also? Are these facts being made known at the current conference in British Columbia?

Hon. Mr. Winker: I am not aware whether they are being discussed there or not. I

can say that there is a small increase in the overall tax but I cannot give it to the member in a definitive sense right now.

Mr. Yakabuski: Quit fighting our battles and look after your own.

Mr. Speaker: The member for Hamilton East.

JUVENILE DETENTION CENTRE IN HAMILTON AREA

Mr. R. Gisborn (Hamilton East): Mr. Speaker, my question is of the Minister of Public Works. What stage of progress exists in regard to the request by The Department of Justice for the construction of a juvenile observation detention centre in the Hamilton area?

Hon. Mr. Auld: Mr. Speaker, I will be delighted to get the details of that for the hon. member and send them to him or give them to him in the House if he would prefer it that way.

Mr. Gisborn: The details sent to my office will be well appreciated because I have asked for them several times.

Mr. Speaker: The member for High Park.

DIFFERENCES IN DRUG PRICES

Mr. Shulman: I have a question of the Minister of Health, Mr. Speaker. Can the minister explain why prices for the same drugs in the Parcost index, on the same dates, are different from the list of prices put out by the Food and Drug Directorate in Ottawa on drug after drug?

Hon. A. B. R. Lawrence: No, I cannot, Mr. Speaker, but I will get the answer and give it to the hon. member.

Mr. Speaker: The member for Rainy River.

BUS SERVICE FOR REGIONAL SCHOOLS

Mr. T. P. Reid: Thank you, Mr. Speaker. I have a question of the Minister of Education. Would the minister comment on Mr. Shonicker's remarks before the standing committee on natural resources that he felt that regional school boards were better served by small independent bus lines or individual bus service rather than large conglomerates

such as Skinner? If I may, by way of a second question, is the minister's department undertaking any research in this respect?

Hon. R. Welch (Minister of Education): Mr. Speaker, I am sure it must be obvious to the hon. member that the question of the arrangement of transportation contracts is a matter left exclusively with local school boards. I have no comments on the merits of what Mr. Shonicker has to say, but I do know that within two or three weeks, the boards throughout the province are meeting transportation officials of the various schools in convention. I am inclined to suspect they, along with other business administrators of the province, exchange views with respect to routes and contracts, but most boards put all this transportation work out for tender and, I suppose, are governed by the results of advertising for this service, and then respond according to the response to the ad.

Mr. T. P. Reid: May I ask, by way of supplementary, Mr. Speaker, does the minister not realize that these conglomerates and monopolies can undercut an individual operator and therefore put themselves in a position within one or two years where they are the only ones in the field who have the equipment and the resources to bid on these contracts and then force up the price?

Hon. Mr. Welch: Mr. Speaker, I am not prepared to comment on a hypothetical example of what could be. I do not suppose that—

Mr. T. P. Reid: Has the minister ever heard of Skinner?

Hon. Mr. Welch: I think that what the hon. member is advancing in the way of competition would apply to many aspects of our commercial life. The point that I am making is that this particular matter is left within the jurisdiction of the local school boards. The department does not interfere with the local autonomy of a board to enter into this type of contract on its own.

Mr. Speaker: While the question period has expired, I think that the members should not be deprived of the opportunity of allowing the member for Grey-Bruce to stand up and ask a question.

Mr. Sargent: I will wear it again.

An hon. member: We just wanted to see the full length of his suit.

Another hon. member: Stand him on a chair!

Mr. Sargent: A question of the Minister of Trade and Development, Mr. Speaker.

Mr. Makarchuk: Give him back the sales tax that he paid on it.

Hon. Mr. Winkler: I will. A great big one.

CLOSING OF YOUTH PAVILION AT ONTARIO PLACE

Mr. Sargent: Would the minister care to comment about the news report that he is closing down the youth pavilion at Ontario Place and changing it into a bar?

Hon. A. Grossman (Minister of Trade and Development): Mr. Speaker, the hon. member is apparently unaware that one of his colleagues made that charge in the newspapers a week or two ago. There are changes constantly taking place at Ontario Place. It may very well be that that location may be changed to some other location. We do not intend to do away with the facility which caters strictly to the youth which Teen Town is catering to now.

Mr. Sargent: Pod 19.

Hon. Mr. Grossman: If, in fact, it is going to be taken out of that building, it will be put in another.

Mr. Speaker: The oral question period has now expired.

Petitions.

Presenting reports.

Motions.

Hon. A. B. R. Lawrence: Mr. Speaker, I move, seconded by Mr. Wishart, that leave be given to introduce a bill intituled, The Human Tissue Gift Act—

Mr. Speaker: We have not come to the introduction of bills. We are at motions. Are there any motions? Now, the Minister of Health may have the floor.

Introduction of bills.

HUMAN TISSUE GIFT ACT, 1971

Hon. A. B. R. Lawrence moves first reading of bill intituled, The Human Tissue Gift Act, 1971.

Motion agreed to; first reading of the bill.

Hon. A. B. R. Lawrence: Mr. Speaker, briefly, the bill sets up a framework for authorizing and controlling transplants as between living persons. It broadens and liberalizes the provisions as to consent involved in post-mortem gifts, in particular the authorizations that are available from next of kin. It establishes a system of fixing the fact of death itself and generally improves the system by which a bequest of tissue can be made without it being countermanded by others, such as next of kin.

VENEREAL DISEASES PREVENTION ACT

Hon. A. B. R. Lawrence moves first reading of bill intituled, An Act to amend The Venereal Diseases Prevention Act.

Motion agreed to; first reading of the bill.

Hon. A. B. R. Lawrence: Mr. Speaker, this Act fundamentally facilitates the reporting by doctors of the incidence or cases of venereal disease as they come to their attention by allowing them to report informally to the MOH in the area concerned, the MOH, in turn, being required to pass that information on to our central collecting authority on venereal disease statistics.

NURSING HOMES ACT, 1966

Hon. A. B. R. Lawrence moves first reading of bill intituled, An Act to amend The Nursing Homes Act, 1966.

Motion agreed to; first reading of the bill.

Hon. A. B. R. Lawrence: Mr. Speaker, this amends and extends the licensing provisions of the existing Act. It sets up a director in charge of licensing and it sets up a nursing homes review board, all subject to the legislative provisions required by the public—the McRuer legislation. In any case, it is the appeal provisions that are being standardized in this province with regard to boards and appeal from boards.

Mr. Speaker, the key of the consideration of new licenses before this board will be that the applicant is required to prove public necessity and conveniences. Existing licenses will be continued, and all will become subject to standard regulatory control.

Mr. T. P. Reid: Mr. Speaker, before the orders of the day I would like to rise on a point of order.

Mr. Speaker: If it is a point of order, the hon. member may rise at anytime. If he merely wishes to speak before the orders of the day, he shall wait until it is called.

Mr. T. P. Reid: No, I would like to speak on a point of order, Mr. Speaker, if I may. Last evening, during Committee of the Whole, the question arose as to whether or not the House should sit after 10.30 and the bell was rung to take the vote. According to article 3, page 2, of the standing orders of the Legislature, the House is to adjourn at 10.30 p.m. unless otherwise ordered by the government. I wonder if the Speaker could give some direction in this regard, as to whether the House does, in fact, sit after 10.30 if a vote is being taken or if we automatically adjourn at that time?

Mr. Speaker: Well, Mr. Speaker was, of course, in attendance at that time because it was close to the period of adjournment. I am well aware of the problem and it is receiving consideration. At the moment I am not prepared to make any statement with respect to it.

As far as Mr. Speaker is concerned, the problem arises when a division is called so close to adjournment time; otherwise there is not any problem. I am aware of the matter and it is being looked into, and if it is deemed advisable and possible that some guidance should be given by Mr. Speaker, with the help of the Clerk's office, in respect to the same, it will be done. If not, then I will recommend that it go to our committee which originally made these rules and perhaps might wish to make some amendment.

Mr. T. P. Reid: That was the ruling, was it not?

Hon. Mr. Wishart: On that point of order, perhaps I might be permitted to suggest to Mr. Speaker that I believe that the division bells began to ring prior to 10.30; it was while those bells were ringing that the clock passed that mark. That is one point that I think should be clear to the Speaker in considering it: whether the division bells should continue to ring until the division is over.

There is another point that came up during the ringing of the bells, Mr. Speaker: When the members returned to the House, the hon. member for Rainy River stood up in that division and started to debate the question as to whether the vote could properly be taken.

Mr. Singer: No, he raised a point of order.

Hon. Mr. Wishart: Well, it was—

Mr. Singer: There is quite a difference between raising a point of order and a debate.

Hon. Mr. Wishart: Well, perhaps, but I thought it sounded—I do not know that he announced it as a point of order. Perhaps he did.

Mr. T. P. Reid: I did.

Hon. Mr. Wishart: Very well. But I would point out that rule 81(b), states that when members have been called in for division, no further debate is permitted—and that, I realize, is on the subject. But I thought I should draw this to Mr. Speaker's attention, particularly the point that the bells were ringing before the half-hour arrived. In my own opinion, we could scarcely stop that transaction in midstream and say we will have to ring the bells again when the House re-adjourns.

Mr. Speaker, before the orders of the day—

Mr. T. P. Reid: Well, further to that—

Mr. Speaker: No. Order. I think we should have no more debate on this but, being a lawyer as is the hon. government leader, the point I wish to discuss is whether it is proper, with three minutes to go and the House having to adjourn at 10.30, that the bells be rung or that it be stacked or laid over until another time. I draw that to the attention of the House leader as my personal opinion.

Now the matter is under investigation and we will not discuss it further today because we are not going to gain anything by it. The hon. House leader wished to make a further announcement.

Hon. Mr. Wishart: Mr. Speaker, before the orders of the day, I wanted to inform the House that the business of the House has been, as I suggested, in the course of being rearranged. With the agreement, I understand, of the whips and therefore of the parties, it has been arranged that the estimates of The Department of Tourism and Information will come to the House rather than committee, as previously arranged—I believe on motion actually—and The Department of Education will take its estimates to committee. I believe this is something that the members are more satisfied with, and I believe will suit the department and the arrangements generally.

In committee now, if I may just review it, I believe the estimates of Labour are being

dealt with. That ordinarily would be followed by Transportation and Communications, then by Education. In the House today we will continue this afternoon with the Revenue estimates, and if those are finished, I would expect that Tourism and Information would be the next departmental estimates to be dealt with. I had informed the House yesterday that I thought we might move to Committee of the Whole House to dispose of some of the legislation there before we go to another department's estimates, but we may very well reach estimates of another department today.

And may I just say that I had informed the whips that, although I did not have it in mind, I would like to proceed with the second reading of one bill, that is The Securities Act, Bill 49, No. 6 on the order paper.

Mr. Singer: Prior to the estimates or subsequent?

Mr. Speaker: The hon. member for Algoma-Manitoulin.

Hon. Mr. Wishart: Well, if I may answer the member for Downsview, perhaps—

Mr. Speaker: Perhaps the House leader would allow the member who takes the floor to be heard properly; the hon. member for Algoma-Manitoulin was on his feet to ask a question. The member for Downsview is merely exchanging a remark across the floor of the House quite improperly. The member for Algoma-Manitoulin.

Mr. Singer: Well, it might be improper, but I would like to know what is going on.

Mr. Speaker: Then do it the proper way.

Mr. S. Farquhar (Algoma-Manitoulin): Just to add to the discussion presented by the House leader, I would like to suggest to him, for the knowledge of all the members, that as a result of further discussion between the Whips with respect to the matter of referring the estimates of Education, it has been necessary to agree that those estimates do not start until Thursday.

Hon. Mr. Wishart: I appreciate that information. I should not think they would, in any event, but I think we can conform to that, and I appreciate the accommodation that has been extended.

Now, to the member for Downsview—

Mr. Singer: Yes, could the House leader advise us exactly where in the order the

Act to amend The Securities Act will come? Immediately after the orders are called or after some estimates?

Hon. Mr. Wishart: Mr. Speaker, the intention is that the next item of business will be the estimates of Revenue and when they are concluded, we would perhaps go to second reading.

I do suggest that bill will go to Committee of the Whole House and I do not think it will be a long procedure.

Mr. Pitman: I just wanted to clarify information which I have received. My assumption is that once the Minister of Labour has completed his estimates in the committee, another committee will be informed and we will begin Transportation and Communications. So Education could not possibly come up this week; probably it will be next week, assuming that Transportation and Communications takes two or three days. Is that a proper assumption?

Mr. Farquhar: We certainly do need some clarification.

Hon. Mr. Wishart: The member for Algoma-Manitoulin has suggested not before Thursday. I do not ordinarily run the committees, if I may use that expression. I was merely arranging the business for them. I am quite content—and I understand—that The Department of Education estimates should not commence before Thursday. I do not like to see the committee sitting idle, that is all. It should have work to do.

Mr. Speaker: The member for Peterborough.

Mr. Pitman: I think the point that perhaps the minister missed was that I think he stated in his remarks that Transportation and Communications would be going into committee after The Department of Labour. That is the point that I think has been the cause of confusion here.

Hon. Mr. Wishart: That is right. That was always arranged, that Transportation and Communications would go down to committee, but then there was just the exchange of the Minister of Tourism and Information.

Mr. Speaker: Any further questions about that order?

Mr. Sargent: A point of information, Mr. Speaker. Could the House leader advise me where we get to the point that a minister,

in discussing his estimates, refuses to answer questions in The Department of Revenue?

Mr. Speaker: That, of course, is not a matter for the government House leader, nor for the Speaker to determine.

Mr. Sargent: Can he not tell us, he is the boss?

Mr. Speaker: Orders of the day.

Clerk of the House: The 20th order, House in committee of supply; Mr. R. D. Rowe in the chair.

ESTIMATES, DEPARTMENT OF REVENUE (concluded)

On vote 1902:

Mr. Chairman: Vote 1902. The member for Essex South.

Mr. D. A. Paterson (Essex South): Yes, Mr. Chairman, could I ask the hon. minister at this point, if he could detail to me the total amount of the substantial increase in revenue that has accrued to the province during the first five months of this year? I note in his comments last night that he did not give a detailed breakdown of the total amount, but could he detail the increase?

Hon. E. A. Winkler (Minister of Revenue): Yes. At this point in 1971, as compared to 1970 we are about five per cent over last year's revenue.

Mr. Paterson: Is that strictly from retail sales tax or from all sources of revenue?

Hon. Mr. Winkler: Retail sales tax.

Mr. Paterson: Yes, and what about all sources of revenue? I note this section includes other taxes.

Hon. Mr. Winkler: Last evening in your questioning the hon. member did not ask me for the general increase, so I did not bring the figure back with me.

Mr. Paterson: Yes. One last question. Is this five per cent increase and other tax revenues in line with the forecast of the provincial Treasurer in setting up the current budgets of the province this year? Is the minister knowledgeable in that regard?

Hon. Mr. Winkler: In general terms that is quite correct, yes.

Mr. Chairman: The hon. member for Brantford.

Mr. M. Makarchuk (Brantford): Mr. Speaker, I would like to get some information from the minister as to how he deals with various corporations that are branch plants of multinational corporations in making sure that he collects what we would consider, if the operation was a totally Canadian operation, a fair share of the profits or the regular amount.

It seems to me that the branch plant operations are in rather an enviable position of being able to charge to their parent corporations certain things like royalties, management fees, consultants' fees. They are able to, or can pay, and have paid, inflated prices for components coming in from the United States from their parent corporations to the branch plant corporation in Canada.

The result, of course, is that the branch plant corporation is in a much better position to manipulate its profit figures and consequently the amount of tax that you can collect from them can vary.

I just wonder what policing method you use. Do you have any opportunity, or are your people in a position to assess whether the payment made by the branch plant to its parent corporation and charged as an operating expense against the branch plant located in Canada is a fair figure or whether it is an inflated figure, or whether it is the figure that is strictly used to manipulate the size of the profit here?

Hon. Mr. Winkler: That particular question, of course, would require some very detailed examination. The law as we apply it in regard to the tax is similar to or the same as the federal tax and we do returns accordingly, one is taxed the same as the other.

Mr. Makarchuk: Mr. Chairman, I am sure the minister should realize that this could be, in the first place, a very important source of tax. In the second place, I think it could put Canadian corporations at a disadvantage in terms of competitiveness as against the American corporation. In the third place, the government may actually be defrauded by branch plant operations, and I think this is an area where you should do some very thorough investigation to ensure that in this kind of an operation such a situation does not develop.

The other situation which was rumoured to exist in the industry is where the components which are purchased from a foreign corporation perhaps from a corporation operating in Japan—that a Canadian branch plant corporation will pay an inflated price for the components. In return the seller of the components will kick back to the parent corporation in the United States a certain amount for the parts that are being purchased. The Canadian branch plant operation can, of course, show a lesser profit, or perhaps even indicate a loss, and, of course, the result would be a loss of revenue to the Province of Ontario, as well as to the government of Canada.

I feel that this is a field of great urgency, and should be thoroughly examined. This kind of an operation, which I am sure goes on, should be terminated and we should collect our fair share of taxes.

Hon. Mr. Winkler: I will certainly have a look at it in the light of what the hon. member says, but the rules apply equally in one case or the other. The advantage, with certain limitations, is the same for the one company as it is for the other.

Mr. Makarchuk: I hope the minister is aware though that the branch plant operation has the advantage of being able to charge to its parent corporation an inflated management fee, royalty fee and so on, whereas the Canadian operation does not have that kind of an advantage.

The other point that I wish to discuss—very much along the same lines—is the matter of computer information, where you have Canadian branch plant operations which have set up a terminal in Canada. The information may be programmed in the States and is being fed across the border on lines, and I feel that this information is a source of revenue, and this kind of usage should be taxed. There are two reasons for it.

First, of the programmes that can be imported into Canada, some of the programming has been done in the United States, and it has a certain value on it. In some cases a very high value. This, of course, is to the detriment of the Canadian people, or Canadian programmers, or people employed in the industry who will be out of work.

Second, it places the American computer industry at an advantage in comparison to the Canadian computer industry and in the interest of developing our own computer industry I think that a fair tax should be con-

sidered, and a fair tax should be placed, on these kinds of operations.

Hon. Mr. Winkler: Mr. Chairman, I would like to advise the hon. member that so far as the last part of his comments is concerned in regard to computer services we are in fact developing our own. There is no advantage for anyone else.

In regard to the first part of his questioning, he may not be aware of the fact that in some cases as an equalizing factor we do now tax some management services that come in in certain specific fields. It is not all a matter of having that advantage for free. We do receive a revenue from that particular area which, I think, in the way you are speaking, would be an equalizing factor.

Mr. Chairman: The member for Waterloo North.

Mr. E. R. Good (Waterloo North): Mr. Chairman, I would like to relate to the minister the concern of retail gasoline operators concerning the collection of gasoline tax. My understanding is you expect about \$400 million of revenue—almost that much revenue—this year from gasoline tax in the Province of Ontario, and you have set up the collection agencies as the major oil companies who, in turn, collect the tax from the individual retail dealers.

The situation is this. The individual retailer in most instances must pay cash for his gasoline at time of delivery. He leaves the cheque there during the night or some time or there is no gas in his tanks in the morning. So the oil company collects cash on the barrelhead from the dealer at any time during that month. The oil company then can retain this gasoline tax, I understand, for another 20 days before he must remit it to the department monthly. So, in fact, by my way of figuring, there is something like \$40 million of gasoline tax in the hands of the oil companies, whom I am told use this money to promote their own business and for expansion purposes.

It irks the individual retailer to no end that he must pay cash for his gasoline at time of delivery, which includes the 18 cents a gallon gasoline tax, while the oil company can use that money for anywhere from 30 days plus 20, which would be 50 days or, if the delivery is made at the end of the month, for 20 days. So he takes an average, we will say, of about 35 days, and the oil companies have used those huge sums of money for an

average of 35 or 40 days at any one time during the year.

I am wondering if the minister has ever thought of this. I can see his point in wanting to minimize the amount of work by having the oil companies set up as collection agencies so that you have to deal with a limited number of collectors. On the other hand, I think the oil companies have a tremendous advantage by having these huge sums of money for their own use during that period of time—and you probably pay them on top of it to collect the money.

Hon. Mr. Winkler: Mr. Chairman, I think the hon. member will realize that for us to make every retail gasoline outlet a collecting agent would not be an efficient method of handling it. We think the present method is an efficient method of handling it.

In regard to the moneys he refers to, the companies do not have the opportunity to use this money to the degree that he is suggesting. There is an interim payment made from each of the companies plus the fact that when the payment is due, in many instances the tax table on accounts outstanding through credit cards has not yet been remitted. Therefore I do not think he can say that to the degree he has mentioned they have use of this money from the retail outlet at all times. It is just not so.

Mr. Good: May I ask what commission you pay to the oil companies for collecting the money?

Hon. Mr. Winkler: One-twentieth of a cent a gallon.

Mr. Good: It is on a gallon.

Mr. Chairman: Vote 2002, the member for Essex-Kent.

Mr. R. F. Ruston (Essex-Kent): Mr. Chairman, I believe some time ago—perhaps a year or more ago—there was some investigation made with regard to the use of heating oil that had found its way into trucks; has the department found any of these infractions and has it cleared up the situation?

Hon. Mr. Winkler: We are aware of the problem that exists. I am not at liberty to say that we have in fact found any tremendous number of infractions of the law; we are presently engaging staff to investigate the entire matter that the member refers to.

Mr. Makarchuk: I suggest you get some truckers to conduct an investigation.

Mr. J. R. Breithaupt (Kitchener): Mr. Chairman, it has been available to us to discuss at this time briefly the operation of the Province of Ontario Savings Office, even though that vote is statutory.

Mr. Chairman: Yes, it is statutory; there is no vote on it. Is the minister willing to discuss this?

Hon. Mr. Winkler: Certainly.

Mr. Breithaupt: Mr. Chairman, I will be brief on this. I just wish to make a few remarks with respect to the operation of the savings office. From March 31, 1969, to March 31, 1970, the increase in deposits in the Province of Ontario Savings Office apparently amounted to \$1.8 million. This was an increase from \$102.4 million in 1969 to \$104.2 million in 1970.

However, Mr. Chairman, I think we should be aware that apparently during the same period the operating costs of this establishment increased by some \$1.3 million. Of course, these operating costs do include the interest payments, and most of the increase was due to the fact that interest was paid on the additional deposits.

I think there is some significance in the figures in that the operating costs are increasing almost as fast as the money on deposit. That is to say, any increase in deposits seems to be immediately eaten up by increased costs. I suggest, Mr. Chairman, that an institution operated by the government in competition with the private sector either must provide some service which the private sector does not provide, or else it must be serving some specific public function.

It would appear to me that the Province of Ontario Savings Office in its present forms and operation does neither. It is merely another way in which the government is able to obtain money but in most cases it is not obtaining its money by the most effective economic means. It seems rather interesting that the savings office is operated on the authority of The Agricultural Development Finance Act.

This Act, just a one-page effort, strangely enough seems to have no apparent connection with agriculture or the financing of any particular development at the present time. Now as the hon. members are aware, the Act provides that the money borrowed under the Act shall be used for, and I quote:

The public service; for works carried on by commissioners on behalf of Ontario; for the covering of any debt of Ontario on

open account; for paying any float of indebtedness of Ontario; and for the caring of the public works authorized by the Legislature.

Mr. Chairman, I think that this institution as it has presently developed seems to be an excuse to obtain some money from the citizens of the province. I think we have to ask ourselves what are the purposes for which these moneys are being obtained.

It does not seem to me that under the present operation we are serving any particular public good. The money is simply swallowed up by the consolidated revenue fund, and it never seems to surface after that. I suggest, Mr. Chairman, as well that the savings office certainly cannot claim to be providing a service that is not otherwise provided by the public sector.

Indeed, I think those who place their money in this institution are not in as fortunate a position as those who would place their money in the bank, because the savings office does not have the service of providing loans to citizens who are depositing funds. I suggest, Mr. Chairman, that the minister should carefully review the operation of the Ontario Savings Office.

I think that the savings office should either provide some positive function or it should be abolished. Clearly, the present situation with the operating costs increasing almost as quickly as the new deposits cannot be allowed to continue. I would appreciate hearing from the minister whether he has been able to review the private member's resolution which was debated concerning the development of this office possibly into a form of development bank within the province. Or perhaps he might further give us his own general views as to how he sees the further development of this financial tool which the government has available to it.

Hon. Mr. Winkler: Yes, Mr. Chairman, I appreciate the views as expressed by the hon. member. I might say in regard to his comments on the cost of operating this bank that we did reduce the interest rate earlier this year, if he will recall.

Even at that, we pay the highest rate on the balance of accounts of any of the chartered banks so that the security and the impetus for people to consider banking their money with the Ontario Savings Office is reasonable. On the other hand—and the member may have been out of the House very briefly last night—I said that I had

read the remarks that were made at the time of the resolution discussion in the House.

I have not come, at this particular time, to any firm conclusion in regard to policy on the Ontario Savings Office but I can assure the hon. member that immediately the House is adjourned, I have plans to investigate possibilities and the function of other provincial institutions, and to relate them to service that might be given to the people of the Province of Ontario. I expect that the function will be expanded. I do not expect that the service of the Savings Offices will be phased out at this particular point.

Mr. Breithaupt: I do encourage the minister in his review of this matter because I feel that we should be receiving a clear view as to where the savings office is going as it fits into a developing province and I believe that the time spent in that review will be well worth while on behalf of the minister. Thank you.

Vote 1902 agreed to.

Mr. Chairman: This now completes the study of the estimates of The Department of Revenue.

Hon. Mr. Winkler moves that the committee rise and report that it has come to certain resolutions and ask for leave to sit again.

Motion agreed to.

The House resumed, Mr. Speaker in the chair.

Mr. Chairman: Mr. Speaker, the committee of supply begs to report that it has come to a certain resolution and asks for leave to sit again.

Report agreed to.

CROWN TIMBER ACT

House in committee on Bill 43, The Crown Timber Act.

Mr. Chairman: Bill 43, An Act to amend The Crown Timber Act. There are six sections to this bill. Do you have any comments, questions or amendments to the first section?

Mr. T. P. Reid (Rainy River): It being a short bill, can we deal with it in the whole? I have so very few comments.

Mr. Chairman: This is Committee of the Whole, not second reading, where you discuss the principles of the bill. This is item-by-item discussion.

All right, did you have a particular section?

Mr. T. P. Reid: I wanted to speak on section 2, Mr. Chairman.

Mr. Chairman: Is there anything on section 1, first of all?

The member for Thunder Bay.

Mr. J. E. Stokes (Thunder Bay): On section 1, Mr. Chairman, I am interested in the explanatory notes which state that the amendment provides for the inclusion in Crown management units of private land on which the timber is vested in the Crown. I am wondering why it was necessary to bring in that, when the timber is vested in the Crown in any event. Why would not the Crown be able to manage it in any way they saw fit, since the right to the timber is vested in the Crown?

Does not section 26 of The Crown Timber Act—although I understand it has never been invoked—give the Crown the right to allocate timber, or manage it, in any way they see fit? I am a little bit concerned about why the minister saw fit to bring in an amendment, or to repeal section 4 of the Act, to give the Crown the right to manage this timber when it is already vested in the Crown.

I assume from the language, the verbiage used in the bill that it does not include land that is already under licence. It is land presumably belonging to mining companies who have, say, mineral rights, while the timber rights remain with the Crown. I am wondering how this is going to change anything.

Surely the Crown, by virtue of the fact that they own the timber, could have managed it in any way they see fit, either by way of reforestation or allocating the timber to someone who demonstrated a need for it and a willingness to use it? The Crown Management unit, in its proper context, allows the Crown to manage it in any way they see fit, whether it be for using it to satisfy the needs of a present producer, or someone who wants to get into the field, to use it for pulpwood, plywood bolts, or saw logs or anything of that nature, and I do not see where section 4 gives a right to the Crown that it did not already have.

Hon. R. Brunelle (Minister of Lands and Forests): Mr. Chairman, under the present

section—section 4—Crown timber on public lands is included in the Crown management units, as the member indicated, that is in The Crown Timber Act. What we are doing by the amendment is adding Crown timber on private land. This is timber that has been reserved many years ago on private land.

Up until now we have been dealing just with Crown timber on Crown land. Our management units just looked after that timber. Now we feel it is in the public interest to manage timber that has been reserved for the Crown on private lands. This would apply mainly in southern Ontario. I do not believe there is much Crown timber reserved on private lands in the north, but this is mainly in southern Ontario where years ago the timber, mainly pine, was reserved to the Crown.

Mr. Stokes: Would this affect the landholder's rights in any way by going in and managing it? Would it take away from his land in any way by harvesting? Would the Crown have any responsibility to restore it or to reforest it, or could one just leave a pile of slash and thereby, take away from the appearance of it? If your department just managed it, how would it manage it? How does it propose to manage the land?

Hon. Mr. Brunelle: Mr. Chairman, we would manage it in the same orderly manner that we manage Crown timber on Crown land.

Mr. J. L. Brown (Beaches-Woodbine): Not in the parks.

Hon. Mr. Brunelle: Not in the parks?

Mr. Brown: Not in the way the minister's department is doing it in the parks.

Hon. Mr. Brunelle: I would say, Mr. Chairman, to the hon. member that we in the Province of Ontario have one of the best records for Crown management of timber anywhere in North America.

Mr. Brown: The department is devastating the parks. It is ruining them.

Hon. Mr. Brunelle: That is the member's opinion.

Section 1 agreed to.

On section 2:

Mr. Chairman: Now the member for Rainy River on section 2.

Mr. T. P. Reid: Thank you, Mr. Chairman. I have somewhat a similar question to the one raised by the member for Thunder Bay in regard to section 2(15)(a) of the bill, amending 15(a).

It is my understanding that in the past, and even now in the case of most licences in the area where there is a pulp and paper mill or some kind of mill—whether it be plywood or lumber, or whatever—the department already requires the first right of refusal from a licensee to supply that particular mill in that particular area. Is this not true?

So what the minister is doing in effect in this section of the bill is legitimizing a regulation that did not have the force of legislation. That is all there is to it. How long, by way of interest, has it been going on? How long has the department been requiring this first right of refusal by way of regulation?

Hon. Mr. Brunelle: I could not say just exactly, Mr. Chairman, but it has been going on for a number of years. This we have been doing with the co-operation of the company. However, we felt that it was best to legislate and to have this in the legislation. If the company did not want to co-operate, then we could oblige them to do so.

Mr. T. P. Reid: This is really only permissive legislation and allows the minister only the discretion, rather than a complete requirement. Is that not the way I read the bill?

Hon. Mr. Brunelle: I believe, Mr. Chairman, that we can direct them to do so, and if they do not comply there are offences.

Mr. T. P. Reid: But I direct the minister's attention to the second line where it says the minister may direct the licensee. It does not require, necessarily, that he do so, but the order has to come direct from the minister. In other words, a licensee may sell his timber, or whatever, somewhere else, if he has not received an order from the minister directing it to a specific mill for first right of refusal.

Mr. Chairman: Shall section 2 stand as part of the bill? The hon. member for Thunder Bay.

Mr. Stokes: Mr. Chairman, I have a few questions that I want to ask of the minister. It all goes back to something that I raised during his estimates. That is, a directive issued by the way of a ministerial order to a licensee to make certain qualities of timber, of certain species, available to someone else.

I do not like to keep rehashing the same old thing, but all you are doing is legitimizing something that you have carried on in the past and something that has met with a good deal of disfavour. You take away from the prime licence holder the right to all species of wood, which is a good thing in many instances when they do not have need for all of the species. But what have you done in the process is you have given authority to a third party to sell or to allocate huge blocks of timber.

In many instances, that person in whom you have vested that authority can sit on this timber for decades. It becomes over-mature and it falls down and it involves an economic loss to the province—not only to the province, but to people who could provide employment by going in and making maximum use of unused allowable cuts.

The hon. member for Rainy River rightly points out that the minister may direct a licensee to offer timber to the owner or an operator. It does not say that you must do it, and I think it is absolutely essential that you direct these people.

Sure, it is a discretionary power, but I think the discretionary power should rest at the regional level, rather than with the minister. These people know much better whether there is an unused allowable cut and whether there is an oversupply in many of the species that we have, particularly hardwood species—I am talking about birch and poplar.

By doing this you are just legitimizing something that is going on at the present time, which I violently disagree with, and which a good many people interested in making maximum use of our resources take very strong objection to. That is the first aspect of it.

The second aspect is you say that you may "direct a licensee to offer to the owner or operator of a mill specified therein the first opportunity to purchase the kind or class of timber produced from time to time by the licensee." What you are saying in effect is that the licensee has the right to, or has an obligation, to sell to a third party certain kinds of wood, whether it be poplar bolts, whether it be birch bolts, whether it be saw logs, whether it be timber for poles.

But all the licensee has to do is say: "Well, I have to make a reasonable profit by virtue of the fact that I have produced those," and all he has to do is put his price up to such

an extent that nobody could possibly be interested in them for economic reasons, and the third party is out in limbo again.

How are you going to assure producers, small independent producers, who do add substantially to the economy of the north, that they are going to be able to get adequate supplies of wood for their needs, that are surplus to the licensee's needs? There is really nothing in here that will guarantee those people that they in fact will get it, because it is a discretionary thing. The minister "may, or may not," and then once he has decided that he will, all the licensee has to do is make the cost so prohibitive that nobody can even attempt to purchase this wood from him. So, in effect, the wood over-matures and it rots, supposedly because you are saving it for the licensee who has the primary call on all of the timber.

There is really no safeguard in it for the third party who is interested in getting a mill started, or perpetuating an existing mill. All the licensee has to do is say, "Yes, I will make all of the wood available to you, but at my price." Of course, right there and then the ball game is over.

I take strong exception to the wording of this because I do not think it provides for the maximum use of our resources as recommended by the Kennedy report in 1948; as recommended by the Brody report in 1968; and as was highlighted by the report on the timber industry or the lumber industry by the Ontario Economic Council, I believe it was, in the fall of 1969 or the spring of 1970, so I do not think this section 2 does anything at all to right a situation that in my opinion is very, very wrong at the present time.

Mr. Chairman: Shall section 2 stand as part of the bill?

Carried.

Any further comments, questions, or amendments to any other section of the bill? If not, shall the bill be reported?

Carried.

Bill 43 reported.

CORPORATIONS ACT

House in committee on Bill 48, An Act to amend The Corporations Act.

Mr. Chairman: Bill 48, An Act to amend The Corporations Act. Are there any comments, questions or amendments to any sec-

tion of the bill? If so, which section? I have an amendment to subsection 6 of section 1. Is there anything before that? The hon. minister, then, has an amendment.

Mr. J. Renwick (Riverdale): Which clause, Mr. Chairman?

Mr. Chairman: I beg your pardon?

Mr. J. Renwick: Which clause of the bill?

Mr. Chairman: I have an amendment from the minister, at least I expect an amendment from the minister, to subsection 6 on section 1. Is there any discussion before that?

Mr. J. Renwick: Subsection 6 of section 1. That is in the first clause of the bill then?

Hon. A. A. Wishart (Minister of Financial and Commercial Affairs): It is subsection 6 of section 2, not section 1.

Mr. J. Renwick: Subsection 6 of section 2.

Mr. Chairman: Yes. The member will find that on page 3. This amendment of the minister is in section 2. Is there anything in section 1? Would the hon. minister like to—

Hon. Mr. Wishart: Mr. Chairman, I move that subsection 6 of section 2 of the bill be deleted and the following substituted therefor:

Subsection 13 of the said section 151 as re-enacted by section 8 of The Corporations Amendment Act, 1968-1969, is repealed and the following substituted therefor:

13. A mutual insurance corporation, incorporated for the purpose of undertaking contracts of fire insurance solely on the premium note plan, has and is limited to the power to:

(a) Undertake contracts of fire insurance on agricultural property or property that is not mercantile or manufacturing or hazardous on the premium note plan, in accordance with The Insurance Act;

(b) In respect of property that is insured against fire, undertake contracts of property damage insurance, theft insurance or any class or classes of insurance set out in section 27 of The Insurance Act;

(c) Undertake contracts of employers' liability insurance or public liability insurance, as defined in The Insurance Act in the case of persons whose property is insured against fire, but such insurance shall be limited to liability arising from the use and occupancy of the property insured against fire; and—this is new—

(d) Undertake contracts of hail insurance, as defined for the purposes of The Insurance Act, in the case of persons whose property is insured against fire.

Mr. Chairman, if I might, that is the amendment. As to the change, it adds clause (d), which I mentioned as being new, to permit mutual insurance corporations to undertake hail insurance in conjunction with their fire insurance.

Mr. Chairman: Shall hon. Mr. Wishart's motion carry?

Carried.

Are there any other comments, questions or amendments to any other section of this bill and if so, which section? If not, shall the bill as amended be reported?

Carried.

Bill 48, as amended, reported.

BUSINESS CORPORATIONS ACT, 1970

House in committee on Bill 52, An Act to amend The Business Corporations Act, 1970.

Mr. Chairman: Bill 52, An Act to amend The Business Corporations Act, 1970. I have notice of an amendment to subsection 1 of section 1.

Hon. Mr. Wishart: Yes, Mr. Chairman. It might be helpful if I point out that there are five separate amendments I wish to offer to this bill. The first amendment will be to section 1, and it is a definition amendment. Two definitions will be contained in the amendment as I read it. This amendment is inserted in this bill in order to have it agree with the definition in The Securities Act amendment in the new bill presently before the House, so that the language in the references to these items will be the same in definition. I therefore move, Mr. Chairman, that the bill be amended by renumbering. I should say that since there is no definition section in the present bill, it is necessary to make this section 1 in the amendment which I offer. That, therefore, necessitates the renumbering of all the sections; so I offer a new section 1.

I move that the bill be amended by renumbering section 1 as section 1(a) and by adding thereto the following section:

1. Subsection 1 of section 1 of The Business Corporations Act, 1970, is amended by adding thereto the following paragraphs:

4(a). "Basic earnings per share" means the amount of income attributable to each outstanding share that carries as an incident of ownership a right to participate in earnings to an unlimited degree, calculated in the manner prescribed by the regulations.

14(a). "Fully diluted earnings per share" means the amount of income attributable to each share that would, if all potential conversions, exercises and contingent issuances had occurred during the period, be outstanding and have, as an instrument of ownership, the right to participate in earnings to an unlimited degree, calculated in the manner prescribed by the regulations.

That is the amendment, Mr. Chairman, and I point out that it is simply to bring this bill into agreement with the definition of the terms of the new securities bill which is before the House and there will be reference, if I may say this further, that there will be reference further on in this bill, therefore, to these newly defined terms. I think three of the additional amendments are simply references again to those new terms and definitions.

Mr. Chairman: Shall the motion of Mr. Wishart carry?

Mr. J. Renwick: I think, Mr. Chairman, that perhaps it does deserve a minor comment. As I understand it, the purpose of the definitions is to implement one portion of the recommendations of the committee on the problems the disclosure raised for investors by business combinations and private placements. I think that it is succinctly stated in the report at page 127, which I think would help the House in understanding what these two rather technical amendments appear to be designed to achieve. The committee says—this is in paragraph 924 on page 127 of the committee's report:

We are of the view that it is desirable to require the reporting of earnings per share in all financial statements which report earnings.

That is a fairly standard requirement.

Earnings per share reported on the basis of common shares outstanding should be supplemented by a report which reflects the existence of securities which may be converted into common shares. The Canadian Institute of Chartered Accountants' recommendation will require calculation and disclosure of earnings per share, both as basic earnings per share and as fully diluted earnings per share. We are content to recommend the adoption of the CICA formula.

I assume that is a succinct way of stating for the record what the purpose is of the amendments proposed.

Hon. Mr. Wishart: I appreciate the hon. member's comments, Mr. Chairman. I would say this checks clear as discussed with the chartered accountants.

Mr. Chairman: Shall Mr. Wishart's motion carry? Carried.

I have a notice of a motion to be inserted or moved by the minister after section 21. Are there any comments, questions or amendments before that?

Mr. J. Renwick: To section 21?

Mr. Chairman: It says "Move after section 21." It is going to be 21(a).

Mr. J. Renwick: Of the bill?

Mr. Chairman: Yes; which is on page 8.

Mr. J. Renwick: Which page?

Mr. Chairman: Eight.

Mr. J. Renwick: Eight. The one comment I wanted to make was on clause 18 of the bill, which is on page 7. I am very much concerned about the chairman being able to dispense with a ballot in the circumstances, which is proposed in the bill. The explanatory note in the bill states:

This section allows the chairman of a meeting to avoid a time-consuming ballot when to his knowledge less than five per cent of the votes, which are in the form of proxies filed, are required to be voted against the majority decision on a particular matter.

Subject to explanation by the minister, it seems to me that where there is for practical purposes, one, or possibly two, meetings in the course of a year of any company of any substantial size that, if a vote is called from the floor by a shareholder, under any circumstances, I do not think that the chairman should be able to dispense with it for any reason whatsoever.

The reason I think that is so, first of all, is that the time-consuming operation is not all that time-consuming. In a meeting where there is other business to be transacted while the vote is being counted, it is very easy for the chairman to proceed with the business at the meeting. And I recall the situation to which I referred last night in the minister's estimates, that at the Alcan meeting a small number of shareholders felt very strongly

about a particular matter. I think it would have been quite wrong in the circumstances there, had the chairman allowed any vote to take place on the question, for him then to have been in a position of dispensing with the ballot.

The shareholders have little enough authority or right at an annual meeting or a general or special meeting of a company or any corporation to call for a vote, and I do not think it should be dispensed with under any circumstances. I would move that clause 18 of the bill, that the proposed amendment section 21 of business, that clause 18 of the bill be deleted.

Hon. Mr. Wishart: Yes, Mr. Chairman, speaking to that motion, I would point out that while section 18 starts out and says the chairman at a meeting has the right not to conduct a vote by way of ballot on any matter or group of matters in connection with which the form of proxy has provided a means whereby the person whose proxy is solicited may specify how such person wishes the share registered in his name to be voted—then there is the exception—unless a poll is demanded by any shareholder present at the meeting. That is the first out. Then comes the five per cent—it is only five per cent that is only in being.

Mr. J. Renwick: Okay. Fine, Thank you, Mr. Chairman.

Mr. E. W. Sopha (Sudbury): I find it difficult to understand my friend from Riverdale's contention.

Mr. J. Renwick: I agree. I simply asked that my motion be—

Mr. Sopha: I want to wax a bit anecdotal for a moment, relative to this section. There is no pretence of democracy at the annual meeting of shareholders. I have not been at all that many, but the ones I have been at do not even adopt the guise of hypocrisy that the proceedings are related to the democratic forms as we know them. The directors have the responsibility of running the company, and that is it. In many cases the directors, of course, are mostly reluctant to let the shareholders know precisely what is going on in respect to the management of the affairs of the corporation.

For example, last Thursday I went to the annual meeting of Kam-Kotia Mines, and I went with considerable ire. And while there I demanded a poll be taken in respect of the adoption of the financial statements, and

I did that for a very good reason. The directors of that company somehow or other had managed to pay the sum of \$485,000—a nice piece of change—to some entrepreneur in Mexico for the purchase of silver, saying all the while that they had dealt with him on many previous occasions.

The only trouble in respect of the payment of this enormous amount of the shareholders' money was that on this occasion they did not get the silver. They never got it. They have no prospect of ever getting it. They do not even know what happened to it. They never saw it. But they sent bank drafts to this fellow in Mexico—who is now said to be in jail in Pennsylvania—for almost \$500,000.

And as far as they can make out the directors of Kam-Kotia—now a poor, impoverished company whose stock has hit an all-time low from a high of \$3.20 a share, trading last week at 65 cents—as far as they can tell, having made the money available in Mexico the entrepreneur blithely went to the bank and withdrew it. They have a sneaking suspicion that perhaps the silver got as far as the border of Mexico and the United States and then it disappeared. It has never been seen since. They are unable to account for it, they have not got the half million dollars; they have not got the silver; they have a depleted treasury.

Now, of course, I was going to say in relation to the other bill, there is a mythology that surrounds the working of corporate enterprise that all the genius in the world is collected when the national association of manufacturers meets, or when the great Pooh Bahs of the chamber of commerce get together for a taffy pull, there is mythology that you have the greatest businessmen in the world. Not so.

Few companies like Power Corporation have had something in the neighbourhood of \$160 million to invest—which it got from the sale of its electrical enterprises—\$160 million. All they had to do was to lend it to the government of Canada which would have paid them probably something like 6½ per cent interest for the use of their money. Then they could have used the interest for the benefit of the shareholders. Power Corporation, which has paid a dividend since 1922, this year stopped its dividend; it failed to pay it; it has not got the \$160 million because it gave it in exchange for the purchase of a white elephant called Consolidated-Bathurst, which is on the skids.

Those are illustrations. Now I come down to the point of this section. If the irate shareholder wants to go to the meeting and to complain to the management, all well and good, that is an exercise of a democratic right. The section says that while there he can demand a poll in respect of any motion or resolution that is sought to be passed, but if he does not go, I fail to see that the chairman should be required to conduct a poll in respect of any matter before the meeting, or every matter, as my friend from Downsview (Mr. Singer) says.

But I hope in the future that more shareholders will go and look the E. P. Taylors of this country in the eye—he has not been very successful either; he dropped \$5 million in Texas in the purchase of a brewery that simply did not go because the people of Texas preferred to drink Schlitz or something other than the brand of barleycorn that he sought to make.

I just hope there can be instilled into the investors of this country a greater desire to go and let these fellows know something of the nature of their phlegm in respect of the management of the affairs of the corporate enterprise.

Section 18 agreed to.

Mr. Chairman: The next notice of amendment I have comes after section 21. The hon. minister.

Hon. Mr. Wishart: Mr. Chairman, before I read the amendment, I should mention that it has to do with the reporting of the ownership of shares and the purpose of the amendment—which will become apparent, I think, as I read it—is that where a transfer of shares is made, this amendment will fix the effective date of the passage of ownership as the date when the transfer is made and not at some later date when it comes to light. So the amendment, Mr. Chairman, is:

I would move that the bill be amended by adding thereto the following section 21(a):

Section 148 of The Business Corporations Act, 1970, is amended by adding thereto the following subsection:

4. For the purpose of reporting under this section, ownership shall be deemed to pass at such time as an offer to sell is accepted by the purchaser or his agent, or an offer to buy is accepted by the vendor or his agent.

In other words, when an offer is made and accepted, that ownership then passes and not when they choose to report it some months

later and escape the reporting of the status of ownership of shares. So it fixes that date when the offer is made and accepted.

Motion agreed to.

Mr. Chairman: The next notice of motion I have comes after section 23. Is there anything before that? The hon. minister on section 23.

Hon. Mr. Wishart: Mr. Chairman, again, before reading the amendment, it relates to those definitions which we inserted as the first amendment to this bill. Of course, not having been in the bill before I moved the first amendment, they are not referred to. It now becomes necessary to insert them into these later sections of the bill.

I move that the bill be amended by adding thereto the following section:

Section 23(a), subsection 1 of section 173 of The Business Corporations Act, 1970, is amended by striking out "and" at the end of clause (i) and adding thereto the following clauses:

(k) The basic earnings per share for the current and preceding year or (i) income before extraordinary items"—I guess instead of (i) I should have said (1)—and "(2) net income for the period" and "(1) fully diluted earnings per share for the current year for one income before extraordinary items" and "(2) net income for the period."

That is the amendment, Mr. Chairman, and as I say, that picks up the definitions we inserted by the first amendment and requires those to be added in the reports of financial statements.

Mr. Chairman: Shall Mr. Wishart's motion carry? Motion agreed to.

The hon. minister, after section 24.

Hon. Mr. Wishart: I have an amendment to offer, Mr. Chairman, at section 24. This will be section 24(a).

I move that the bill be amended by adding thereto the following clause:

Section 24(a) subsection 3 of section 178 of The Business Corporations Act, 1970, is amended by adding thereto the following paragraphs. This is rather long but I shall read it, Mr. Chairman. It picks up the language, I believe, of The Securities Act:

18. Where the corporation has (1) in the course of a financial period carried on business of two or more classes that, in the opinion of its directors, differ substantially from each other, and the corporation is not

one that has any subsidiaries at the end of that financial period, or if it has one or more subsidiaries, does not prepare its financial statement in consolidated form in respect of any subsidiary, or (2) has one or more subsidiaries at the end of its financial period and prepares its financial statement in consolidated form in respect of any of the subsidiaries.

If the corporation and any of the subsidiaries carried on between them, in the course of the period, business of two or more classes that in the opinion of the directors of the corporation, differ substantially from each other, a statement of the proportions in which the amount of sales or gross revenue for that period, so far as stated in the financial statement in respect of that period, is divided among those classes of business, but for the purposes of paragraphs (1) and (2); (3) classes of business that in the opinion of the directors do not differ substantially from each other, shall be treated as one class. And (4), a corporation having gross sales and revenues exceeding \$25 million need only report in respect of the class of business that contributes 10 per cent or more of the total gross revenue of the corporation, and a corporation having gross sales and revenue of \$25 million or less need only report in respect of the class of business that contributes 15 per cent or more of the total gross revenue of the corporation.

19. Where there has been a business combination or acquisition arrived at through private agreement, statutory amalgamations, statutory arrangements, or statutory procedures, a takeover bid as defined in part 9 of The Securities Act, 1966, asset purchases or other methods or material adding to or combining with an existing business. The details are all in accordance with the acquisition equation, prescribed by the regulations.

20. Where securities have been issued to acquire assets, the proportion of the total securities outstanding, expressed as a percentage, represented by the securities issued to make the acquisition.

21. Where the pooling of interest method is used to account for a business combination or acquisition, and earnings history for at least two years, as through the companies were pooled for the years covered by such history, set out alongside the earnings history of the acquiring company.

These are requirements for the reporting of the financial status or statute of the company.

Mr. V. M. Singer (Downsview): Is that your whole comment?

Hon. Mr. Wishart: I just read the amendment.

Mr. Singer: Yes, do you want a comment on it?

Hon. Mr. Wishart: I would be glad to have it.

Mr. Chairman: The motion is now before us, if the member for Downsview wishes to—

Mr. Singer: Yes, I have some faint idea of what the minister is talking about, but as I tried to follow him, even with a copy of the text in my hand, I suggest that this is really a draftsman's nightmare. The meaning may be abundantly clear to some people a little more learned than I, but I have great trouble in finding out what he is getting at.

"Where the corporation has—" let us look at 18, sub. 1—"in the course of a financial period, carried on the business of two or more—"

Mr. H. Peacock (Windsor West): Do not read it again.

Mr. Singer: "—subsidiaries are substantially going as then reported sales, as well as the—"

Hon. Mr. Wishart: Perhaps.

Mr. Singer: Could I finish what I am saying?

Mr. Peacock: I grasped it—

Mr. Singer: I am glad you grasped it. You are far smarter than I. Let me worry about it for a bit, would you?

Mr. Peacock: And I do not have your legal training.

Mr. Singer: "—where the corporation has in the course of the financial period, carried on the business of two or more classes that, in the opinion of its directors, differ substantially from each other—" okay, that is fine up to there—"and the corporation is not one that has any subsidiaries at the end of the period, or if it has one or more subsidiaries, does not prepare its financial statement in consolidated form or in respect of any subsidiary."

Now, I wonder if those two phrases really fit in with it. Do you need them both there?

If it has no subsidiary, or if it has one or more and does not prepare its financial statement in consolidated form, does it really matter if you say if it does not prepare a consolidated statement? Do you need both those statements?

Hon. Mr. Wishart: I think so.

Mr. Singer: Then you come down to the word "or," and then you have "two" and then you have another paragraph; and then we run into "three" and "four" and the "or" does not follow at the end of "two" or "three" or "four." You just have the one "or"? Are those alternatives, "one," "two," "three" and "four," or do you have "one" and then the alternatives are "two" in the large paragraph in the middle, but "three" and "four" are not alternatives? It is just a little difficult to grasp all at once. That is No. 18. Then No. 19 sets out certain things. "The details shall be in accordance with—" 20 seems to lack a verb:

Where securities have been issued to acquire assets, the proportion of the total securities outstanding expressed as a percentage represented by the securities issued to make the acquisition"

Is there a covering clause at the beginning?

Hon. Mr. Wishart: Yes.

Mr. Singer: It says, "These things shall be shown somewhere"?

Hon. Mr. Wishart: I think I could help the hon. member if he would—

Mr. Singer: All right.

Hon. Mr. Wishart: This, you will observe, is an amendment to section 178 of The Business Corporations Act. That section has reference entirely to the financial statement and what it will contain, and in the marginal note as it starts out, are notes to the financial statement, notes that are to be added, where we come down to subsection 3 where the amendment is, subsection 3 of 178,

Where applicable the following matters shall be referred to in the financial statement, or by way of note thereto"

Then follows one, two, three, four, five, six, and down to 17 different items to be added; so we are adding 18 and 19.

Mr. Singer: All right. I have got it. And 20 and 21.

Hon. Mr. Wishart: Now, just to expatiate a bit on those, and what appears to be a lot

of language to make its meaning clear: If the company is carrying on two lines of business, and does not have a subsidiary in its very distinct lines, that has to be shown in separate and understandable form. That is "one". And then, if it has got subsidiaries but prepares a consolidated form and scoops the subsidiaries into its financial statement, that has to be noted. Then you go to "three": If it is a class of business where directors do not differ substantially, it is noted that they treat them as one class. Then we come to "four", where you have the corporation over \$25 million, and what it must do, and the one under \$25 million. Then there are the new items in 19, 20 and 21.

These are notes to be added as information for the shareholders, and these notes can be appended to, or contained in, and actually noted, notes to the financial statement.

Mr. Singer: Then why, Mr. Chairman, would you not make "three" and "four" separate numbers, because they do not seem to follow "one" or "two", which are alternatives? "Three" and "four" seem to be additional notes. Does that make it a little clearer, or am I still missing the point?

Hon. Mr. Wishart: Those are all situations in that one bracket, 18, the one subsection, varying conditions which might be found—

Mr. Singer: But do not 18, "one" and "two" in that paragraph sort of sit by themselves, while "three" and "four" sit separately? What throws me is the word "or" at the end of small "one", which seems to make small "one" and small "two" alternatives which are governed by the five lines beneath that. And then "three" and "four" seem to be additional notes.

Hon. Mr. Wishart: No, I think the language is quite clear. Those are my views. They are quite clear.

Mr. J. Renwick: Perfectly clear.

Mr. Singer: I listened to the hon. member earlier. He had not read the section that he was talking about. At least, I read this one.

Hon. Mr. Wishart: Those are quite clearly alternate ranges, it is the one thing or the other. Then follows what must be noted, a statement of the proportions in which the amount of sales or gross revenue for the period, is divided among those classes of business. But if it has a subsidiary, or subsidiaries, but they are consolidated, then you must put in this information by way of note

and in the manner then shown in three and four. For the purposes of one and two, if the classes are not distinct and the opinions of the directors do not differ substantially from each other in the language of the Act, then they can be treated as one class. And then you go to the size of the corporation, its gross sales and its financial status, so I think they are quite clear.

Mr. Singer: Since the accountants are going to have to wrestle with this, Mr. Chairman, has the minister asked any accountant if he can read this and clearly understand it?

Hon. Mr. Wishart: Yes. I can read it so if I can read it, I am sure the accountants can.

Mr. J. Renwick: Mr. Chairman, I just have one comment to the minister on item 19. Perhaps he could explain to us what the acquisition equation is that will be prescribed by regulation.

Hon. Mr. Wishart: I do not think I have it.

Mr. Singer: I thought you said it was quite clear.

Mr. J. Renwick: Well, I just wanted him, in a concise one or two sentences, to explain the acquisition equation.

Mr. Singer: Yes, I think that is very material.

Mr. Chairman: Does the minister have an answer?

Hon. Mr. Wishart: I am just going to see if I have it.

Mr. J. Renwick: Perhaps you could stand the bill down, Mr. Chairman.

Mr. Chairman: I could put the question—

Mr. Singer: While he is looking at that, he might also want to consider, Mr. Chairman—I notice he stumbled in reading it—whether or not there should be a comma after the word "1966," so that asset purchases would not be 1966 asset purchases. I think it would make it a little easier to follow the question.

Hon. Mr. Wishart: Yes.

Mr. Chairman: Shall the motion of Mr. Wishart carry?

Mr. Singer: Well, I think we should have that comment.

Hon. Mr. Wishart: I think you are right.

Mr. Chairman: The member for Windsor West.

Mr. Peacock: I am not sure whether I have the minister's attention, Mr. Chairman.

Mr. Singer: He is looking for acquisition equations.

Mr. Peacock: I certainly do not pretend to know as much as the member for Downsview about the asset equation or—

Actually, I would like to ask the minister a question regarding the additional reporting that is now required. Can this reporting by the reporting corporation of the sales of subsidiaries which are engaged in substantially different enterprises from the reporting corporation be protected from disclosure by an application to the court, as I believe the sales figures for the parent corporation can now be under The Business Corporations Act?

Will the sales corporation, or the subsidiary corporations carrying on activities substantially different from the parent, which would otherwise have to be reported under this new section, be protected from disclosure by an application on the part of the reporting corporation to the courts, that the sales figures should not be reported?

Hon. Mr. Wishart: It is entitled to make an application to the Ontario Securities Commission which may decide that question.

Mr. Peacock: Commission. And this applies with respect to the subsidiary as well as it always has to the parent company?

Hon. Mr. Wishart: Yes.

Mr. Peacock: I see. Well, in that respect, Mr. Chairman, the amendment does not take us that much further along, does it? One of the great difficulties of course, in terms of collective bargaining at least—and it certainly applies in matters of securities research as well—that has always faced us in this province is that we do not simply have the full range of disclosure, the full range of information that many other jurisdictions require for corporations operating within their boundaries. And certainly the difficulties are aggravated in respect to wholly owned subsidiaries whose operations are blended entirely within the activities of the parent. And whether it is a small Canadian firm with a number of branches, or whether it is a large international corporation operating in Canada, as does the General Motors Corporation or the Ford Motor Company of Canada which have attached to them a number of

subsidiaries such as the Ensate Company, a subsidiary of the Ford Motor Company of Canada, which represents a very substantial proportion of the activity of the Ford Motor Company of Canada—on simply does not know what that subsidiary corporation is contributing to the parent company's activities in terms of sales, or in any other measure. I would foresee that the same difficulties will prevail in respect of the reporting by subsidiaries that are carrying on different operations from the parent, as have faced us in respect of finding such information as sales by those companies who wish to protect that information from disclosure.

Hon. Mr. Wishart: The hon. member may be correct but we have moved some distance further, I think, by this amendment, perhaps not as far as he would wish we could go.

Mr. Peacock: Could the minister then give us some idea as to the number or variety of corporations whose subsidiaries may be now required to report?

Hon. Mr. Wishart: The number, the variety?

Mr. Peacock: Number or variety of corporations.

Hon. Mr. Wishart: No, I do not—

Mr. Peacock: There are certain industries in the province, companies which will not allow their sales figures to be published. I do not expect that that will change materially.

Hon. Mr. Wishart: I have not got such information. I would only be guessing at this moment. I could get that for the hon. member. But I have not got any actual knowledge of the number at this moment.

Mr. Peacock: I take it from listening to the minister's reading of the amendment that the discretion as to whether or not the subsidiary corporation differs substantially from the parent, lies with the directors.

Hon. Mr. Wishart: Right.

Mr. Peacock: May I ask the minister, then, how can one, perhaps other than a shareholder of that company, challenge the discretion of the directors if they do not choose to note the sales figures of the subsidiary, because in their opinion it does not differ substantially in its operation of activities, from the parent.

Hon. Mr. Wishart: All that I could suggest would be that the shareholder could raise that question—

Mr. Peacock: But no one else could.

Hon. Mr. Wishart: —and discuss it, debate it, put it to a vote, and see if in his opinion it is supported by the other shareholders, and require the directors in future to report the operations of the subsidiary differently and separately than heretofore he has done.

Mr. Peacock: Would anyone else be entitled to do that, Mr. Chairman? Would the Ontario Securities Commission be entitled to review the exercise of the directors' discretion which resulted in a refusal to disclose the sales figures, on account of the directors' opinion that the subsidiaries did not really differ?

Hon. Mr. Wishart: I think the language of the amendment leaves it to the opinion of the directors. I am not sure whether the power lies in the securities commission of its own initiative to interfere. I think it could on complaint, and perhaps it could on its own initiative. I would have to check that in a moment before I could be certain of my answer.

Mr. Chairman: Shall Mr. Wishart's motion carry? Carried.

Mr. Singer: The minister did not tell us what that motion was yet?

Hon. Mr. Wishart: No, I have not been able to find it in the regulations at the moment.

Mr. Chairman: I have another notice of motion to come after section 25. Mr. Minister.

Hon. Mr. Wishart: I move, Mr. Chairman, that there be added, "the bill be amended by adding thereto the following section:"

25(a) Clause (c) of subsection 1 of section 185 of The Business Corporations Act 1970 to be amended by striking out "and" at the end of subclause 4 and by adding thereto the following subclauses. "These again are the definitions.

6. The basic earnings per share for income before extraordinary items and for net income for the period.

7. Fully diluted earnings per share for income before extraordinary items and for net income."

Mr. Chairman: Shall Mr. Wishart's motion carry? Carried.

Are there any other comments, questions or amendments to any other section of this bill? If not, shall the bill, as amended, be reported?

Carried.

Bill 52, as amended, reported.

CORPORATIONS INFORMATION ACT, 1971

House in committee on Bill 57, The Corporations Information Act, 1971.

Mr. Chairman: There are 16 sections to this bill. Are there any comments, questions or amendments to any section of this bill? If so, which section?

If not, shall the bill be reported?

Carried.

Bill 57 reported.

Hon. Mr. Wishart moves that the Committee of the Whole House rise and report two bills with amendments and two bills without amendments and ask for leave to sit again.

Motion agreed to.

The House resumed, Mr. Speaker in the chair.

Mr. Chairman: Mr. Speaker, the Committee of the Whole House begs to report two bills with amendments and two bills without amendments and asks for leave to sit again.

Report agreed to.

SECURITIES ACT, 1966

Hon. Mr. Wishart moves second reading of Bill 49, An Act to amend The Securities Act, 1966.

Mr. E. W. Sopha (Sudbury): Mr. Speaker, I am not going to delay the House by indulging in any lengthy comments about this, save to say briefly that this bill purports to implement the results of the merger study. I, for one, wish the Securities Commission well in their efforts to deal with what has, of course, been a very grave problem in the economic history of this

country. Canadians, it is safe to say, have suffered very greatly from some of the activities that have taken place in the corporate world and especially in relation to the takeover of Canadian companies.

Now, as one Canadian, I am under no illusion whatsoever that many of the decisions that are made in the corporate boardrooms of this country and, indeed, in similar boardrooms outside this country, affect more pervasively the lives and well-being of the citizens of this country than the decisions taken in this House. They have a much more intimate far-reaching effect upon the daily activities, the future prospects, the anxieties, the means of earning a living, and everything else connected with their economic activity. Canada, it is safe to say, and the Province of Ontario, have been very late-comers in the field, in order to rescue something of a rationale in dealing with the changes in the corporate organization of companies doing business in this country. And of course, we must bear in mind that we have emerged into the age of the multi-national corporation which spreads its tentacles not only over the whole of Canada but in many far-reaching places of the globe.

It is interesting to note in that regard that J. J. Servan-Schreiber has become a national figure in France, if not a howling political success, which he is not; but he managed to write a best-seller book by describing the activities of the multi-national corporation in western Europe. I read the book. All it seemed to say was that the Americans have come and they are the bosses in the financial world and are increasing their hegemony in the European economic climate. On the other hand, if I may be permitted—my friend from Lakeshore (Mr. Lawlor) of course would permit me were he here—on the other hand, to be aware of the history of the last 20 years is to know that General De Gaulle himself, buttressed himself, as part of the great support of his power, with his concern and consciousness about the activities of his American cousins in the financial picture of western Europe. Probably that was the reason that General De Gaulle put roadblocks in the way of the British joining the Common Market because he did not want the intrusion of people whom he suspected were merely agents of the Americans.

That is an interesting digression. On the other hand, to come home here, Canada has been in a very primitive state in respect of combines and restrictive trade practices. At

the federal level, we have never developed a sophisticated body of law to deal with these activities, to give the fullest measure of protection to the investing public or perhaps, what is more important, to ensure the well-being of the many tens of thousands of our people who work in these industries. To illustrate, having said that in general terms, Gulf Superior Western or whatever it is called—the Texas Oil Company—comes into Canada and gets control of a very small proportion of McIntyre mine shares (I think it is something in the order of 20 per cent) and with the acquisition of those shares, it is able to order the affairs of McIntyre, a very successful gold producer, with many subsidiary holdings, and it is able to manage the affairs of Falconbridge Nickel Mines.

Now, this bill, as far as I can see, is silent about that type of thing. This bill talks about takeovers, publicized announcements about the intention of a group to take over the management and control of another company; but the numbers of companies, Mr. Speaker, in this country, in this province, that are managed by minority interests, which are not subject to this bill at all, are bewildering and oppressing when one contemplates them. With the minimum number of shares, these people in boardrooms south of the border, in the United States, are able to make these far-reaching economic decisions that affect the well-being of our own people, and I do not exaggerate when I say that the closing down of a plant, the moving of an operation, curtailing of production, those are intimate decisions that affect the daily lives of our people and go much further than many of the things that we argue about for hours on end in this chamber.

I point that out by way of comparison, because economic control, of course, is often a weapon that is much more grandiose and far-reaching than political control. John Foster Dulles, in a moment of frankness while he was the Secretary of State of the United States, let it be known that it was his view that you could take over the control of a country by (a) invading it, or (b) gaining control of its economy. Well, the gaining of control of the economy in the way in which I speak—these minority interests that bring with them the leadership and direction—that has been part of the economic history of Canada, and we have yet to deal with it, we have yet to face the problem head on. The merger study—this bill seeks to meet the more dramatic type of adventure where a

company announces that it wishes to subscribe for and to purchase either the total number or a fixed proportion of the shares.

It does not go far enough. I would be willing, speaking for myself, to go much further. I have said many times and I do not hesitate to reiterate, that I think economic democracy demands that our securities commission be armed with sufficient powers to enable it to review the proposed merger or takeover before it is even set in motion, before it even begins. That is in the public interest. In other words, I would be willing to go so far as to require that the people, before embarking on the new adventure, would have to go to the Securities Commission to have it passed upon, have it reviewed, have the Securities Commission as an arm of the state, acting under the aegis of this Legislature, determine whether it is in the public interest. Once they have made that determination they can tell the entrepreneur, "You can proceed from that point." That is the way it is in the great, free United States. That is the natural order of business. The first place they go in respect of a takeover is to the Securities and Exchange Commission in Washington, and have the thing passed upon. Is it not interesting to note by way of illustration, once again to come down on a specific example, that the beer that made Milwaukee famous—someone will correct me—was Pabst or Schlitz—

An hon. member: Schlitz.

Mr. Sopha: Schlitz? Well, I think it is Pabst that made Milwaukee famous.

Mr. M. Gaunt (Huron-Bruce): No, Schlitz.

Mr. V. M. Singer (Downsview): No, Blue Ribbon.

Mr. Sopha: Well, I have so little personal knowledge of these that I may be forgiven. They wanted to take over Labatt's in London, managed by a very historic, ancient and honorific Canadian family, and we were apparently willing that this brewing industry in London pass under the control of brewers in Milwaukee. That did not appear to exercise us at all.

But lo and behold, in the slip between the bottle and the lip, the Securities and Exchange Commission of the United States notified Schlitz that they could not take over the London brewing operation. They put the crimp in it. They told them it would be in violation of the anti-trust provisions of their

legislation, and that is where it got forestalled.

Somebody else eventually took over Labatt's—I forget who it was—but that is a rueful thing for Canadians to contemplate, that they have to wait for the activities of a foreign government to order their affairs. In other words, every man who worked at Labatt's in reality was under the aegis of the government of the United States and its agent, the Securities and Exchange Commission. It is no wonder that the Wafflers are upset it is no wonder that Laxer and my alumnus, my dear friend Melville Watkins—who taught me much in the way of economics 20 years ago at the University of Toronto—it is small wonder that they go to the NDP convention looking for a haven of refuge and sympathy, which they did not get. They were lucky to escape being massacred before they got out. But it is small wonder that many people in this country are upset about those foreign intrusions and the denigration of the ability of Canadians to manage their own affairs.

I say the bill does not go far enough. I am a limited believer in laissez-faire; I refuse to accede to the proposition that all that is good and true and beautiful should be left at the discretion of the corporate managers in their private boardrooms, where the scrutiny of the press and the public is forever absent. We just do not get there to take part in the decisions. I want the Securities Commission to be there, and the Securities Commission, of course, would not have to go to the boardrooms; the boardroom occupants would have to come to the Securities Commission. They would have to demonstrate that the restructuring of the corporate management was in the interest of all of the people of Ontario.

Having said that, of course, I am fully aware that to talk about the compartment of Ontario—but one province albeit the most important, the most populous, the most wealthy province—you talk about that over against the broader picture that these corporations are operating on a national scale.

But once again I must again express my belief that the only instrumentality that can fully control their activities in the public interest is the federal government. Only that government can properly control the type of things they do that affect the daily life of Canadian citizens, the workers and the investing public. But before you stop me I will hastily add in parenthesis that I see that the Premier (Mr. Davis) is out in Victoria and all he is talking about is money. All he wants

is money. If you build a pipeline from Ottawa to Queen's Park and shot \$20 bills through it one way, that apparently would satisfy him.

Mr. W. Newman (Ontario South): These are the tools for doing the job.

Mr. Sopha: The other nine Premiers, of course, do not want to talk about the constitution at all. They are talking about everything else. However, we will review that at another time.

Now there are some provisions of the bill that are very good; I want to be constructive. Section 23—which enacts—section 86, which apparently appears to be a new provision which requires that when the board of directors of an offeree company—that is the company proposed to be taken over—recommends acceptance or rejection of the takeover bid then it has to send out some information as required to the shareholders of the company.

Now I think that is new—someone will correct me if I am wrong—but there is a principle here, when you are talking about mergers and takeovers, a principle that revolves around the notion of full disclosure; there must be full disclosure made to the shareholders and the investing public. One of the things that the securities market has suffered from in this country, of course, has been the privacy of the information in the breasts of a few who have often used it to their own mean advantage and to the prejudice of the general investing public.

Now the only other comment to make, and I want to hasten this to committee—I do not know; I have some reservations about it going to the Committee of the Whole, as the minister appears to intend—I am just a bit anxious that maybe out there, somewhere in the tall buildings downtown, there are some people who want to make some representation about it and the only vehicle, of course, that they can make representations in is the legal administration committee, if the bill went there.

I recall back in 1966 when we passed the new Securities Act that a few of us sat in that committee for several weeks, the member for Riverdale, my friend from Downsview, and not many others—and the then Attorney General, as he then was—those were in the solid days before he came down a bit in the hierarchy—

Mr. Singer: A repository of everything, like racing commissions—

Mr. Sopha: Really, you will permit me to say that the title of his department is wrong. He should be called the Solicitor General, as in Ottawa. It would be far more appropriate, instead of calling him Minister of Financial and Commercial Affairs, for us to set up a Solicitor—

Mr. Singer: Like we said in 1965.

Mr. Sopha: In any event, he will know whether any representations have been made. Certainly none have been made to us in respect of it. But as I was going to say, when the new Securities Act was passed there were many many people who came and presented briefs with respect of many of the sections. We had to wrestle with it day in and day out.

The only other point I make is to express my deep regret that the language has to be so complex. I wonder whether we could develop a simplicity of language in the field of insurance and the field of securities; whether we could not express the concepts that we seek to embody in legislation in simple terms. You know, Mr. Speaker, that every great idea that the human race ever discovered was expressed in simple language. Like "Love your neighbour," "Honour thy father and thy mother," "Do not kill." They are all expressed in simple language until you come into the arcane world of corporate finance. Then the jargon takes over, but I suspect that there is a reason for it.

There is a determined intention to set up a priestly cult, and one of the methods, of course, of protecting and ensuring the continuity, the integrity of the priesthood—and I use that term in a very general sense. I am not referring to the church at all; I am referring to a larger concept—to set up a priesthood you need the language to protect it. It was, as Harold Adams Innis pointed out, as long as the Roman church was the universal church—no, it only continued to be the universal church as long as it had control of Latin. As long as only the priests spoke Latin, they were the universal church.

But along came Dante at the beginning of the 14th century who, for the first time, wrote in the vernacular and from then on the church went downhill; from that point on, I suspect there is a subtle but articulated intent to use very complex and archaic language to protect an intellectual and financial investment. In other words, the lawyers and the accountants, the corporate lawyers and the accountants, would not have it otherwise.

Look, for example, at section 3; one wonders whether you need 10 inches. Do you really need 10 inches of type to say what you want to say? The great Oliver Wendell Holmes who sat on the bench until he was 95, all his life, was dedicated to the proposition of economy and simplicity of language. He tried to say it in one sentence; tried to say it in one word. But you have 10 inches of type in respect of the concept of notions sought to be conveyed in that section, and so it goes with the definitions that are used. They seem to be very—look at 21, for example! Exempt offer: And you need four Roman numerals to convey what an exempt offer means. One can but pensively contemplate whether you could not do it in a sentence, in a short paragraph. Then, of course, 22 goes on and it needs 11 subsections.

Mr. J. E. Stokes (Thunder Bay): That is what happens when you have lawyers drafting. They are meticulous grammarians.

Mr. Sopha: Absolutely! This is a draftsman's dream.

Mr. Singer: Or nightmare!

Mr. Sopha: One does not know, in the post-prandial activities of legislative draftsmen, what ecstasies this brings them. For all one knows as they sit at their midnight maunderings, they may hear the raven tapping at the window as they write these things out.

I will tell you this, and this is the reason one is justified to raise it, Mr. Speaker. That is, it is for sure the average member of the lay public will not understand it. He would be lost. His mind would swim and boggle if he attempted a reading of The Securities Act. He would not have the slightest idea what it was all about.

The result is, of course, that if you went down University Avenue, you pass over to the Toronto-Dominion Bank, you go along King; you find the inhabitants, the fauna.

If you will check over the fauna that inhabit those buildings, you will find the corporate lawyers. They have the most palatial suites—broadloom wall-to-wall—where they measure each other's place in the hierarchy by the width of the partitions between them. They can judge their seniority in the firm by such things. All is a reflection, of course, of the mystique that is to be found in statutes like this.

When I become the Minister of Financial and Commercial Affairs, I am going to tell you one of the first people that I will send

for is going to be Harry Bray, to invite him up for a word of prayer. And I am going to say: "Look, Harry, let us put it in simple language. Get your people to pore over it and let us try to get it down to the level of the ordinary investor who inhabits the offices of Doherty Roadhouse and those highfalutin brokerage firms, so that if he grabs a copy of the Act he will be able to understand, have some notion, of what it is all about."

There is another side to it, of course. I end on this note. There is another side to it. The corporate managers want it this way, they want it this way, too. They want it difficult and complex because they do not really want the public to understand what is going on. They want a separate world and the multi-national corporation, especially, wants a different world. They want a world that they build, which they occupy, and which is impervious to the understanding of ordinary people. They want to hire the high-priced accountants and the high-priced lawyers, the people of great ability, to be their agents and assistants; to be the adjuncts of the corporate operation.

Well, we have to be smart, we legislators, we who are charged with responsibility. We have to keep one step ahead of them. And the only way that I see that we can possibly do it, is that if some day we summon up the courage and we are ready to give The Securities Commission adequate powers to be right in the middle of the corporate restructuring on behalf of the public interest; that with the Securities Commission the public is sitting at the table. They are there. The Securities Commission says to them: "We do not want to be unfair, we do not want to in any way fetter the economic and corporate efficiency of the company. But the one thing we want to do is ensure that what you do in the creation of your empire, the extension of your powers, the increase of your profits, your effect upon prices, jobs, living conditions of people, is serve the public interest to its optimum.

Now, having put it that way, as I say, that is our duty. It is not an intrusion on our part; that is our solemn duty and obligation. So I will vote for this and my party will, but I express my regret that it does not go as far as I would have it go; I would want the Securities Commission to have much more power in respect to the management of important Canadian companies with a minority interest.

I suppose that in saying those things that I have to confess that I am such a nationalist,

I am being so imbued with a sense of destiny of this country, I am so caught up with the potentiality of the best use of our resources, rich and multiple as they are, that I want things to be Canadian, managed by Canadians, in the interests of Canadian people. And having said all that, I suppose I am closer to Laxer and Watkins than Renwick is. But I must say that it seems to me that that is the type of thing, that is the goal and purpose that they have, and Gonick of Winnipeg has, and all those people who make up the thinking part of the NDP, you know, all those that are thinking, those that are concerned.

An hon. member: Join us next week across the road.

Mr. Sopha: No, you are no one to join; you are a bunch of bourgeois reactionaries, and I will have nothing to do with you; nothing to do with you whatsoever.

Interjections by hon. members.

Mr. Sopha: Well, Mr. Speaker, thank you for your patience and those are my comments.

Mr. J. Renwick (Riverdale): Mr. Speaker, we will support the bill on second reading. It is really a technical bill involving a number of amendments to sections of The Securities Act which received very long and considered judgement by the committee of this House some years ago. I think it deserves comment on second reading simply because the merger study to which the member for Sudbury refers is an excellent document, and it goes a long way to introduce something more than the simplicity of the securities laws of the United States into Canadian securities law. I think my principal concern years ago, when the present bill was brought in, was that it took us so long to reach the point where we were adopting in the Province of Ontario many of the principles which were developed in the nineteen thirties in the United States.

This is an endeavour to close the gap, and I think it is quite true that members of the committee on merger study owe their debt to the Securities and Exchange Commission for work that has been done in the United States in providing a useful basis on which many of the recommendations put forward in this report have their origin.

I want to pay tribute to the committee, to Mr. Bray, Mr. Beattie and Professor John Willis for the work of the committee in the preparation of the report. I want particularly to comment about Professor Willis, because

he is a part-time member of the commission; I think he has been vastly underpaid by the government over a period of time. I am quite certain a similar person in the United States, asked to do the kind of work for the commission on a part-time basis that Professor Willis has done for the commission, would be remunerated at a much higher level. That in no way detracts from the work of Mr. Bray and Mr. Beattie, because they are full-time working members of the commission.

But it is obvious from anyone who has studied under Professor Willis that a goodly part of this particular report owes a great deal to the insight, the knowledge and the modern attitude which Professor Willis has constantly been able to bring to complicated legal problems and reduce them to their bare bones of simplicity. I know nothing of who finally turned out the report in the actual language that was used, but I sense that there is an element in the report of the simplicity for which Professor Willis is noted. When the estimates of the minister were before the House, I thought for a moment of making these comments at that time, but it seemed appropriate to do so at the time of this report. I would hope that the minister would give consideration to reviewing the remuneration of Professor Willis because, as I say, if his remuneration is as stated by the minister, he is vastly underpaid for the contribution he makes to the work of the commission.

There are a number of items which we can deal with when the bill is in committee because of the specific amendments that are reflected in the bill. I would, however—and this is a difficulty I have—I would, however, appreciate it if the minister either in his comments on second reading or by way of a letter to me at some time, if the commission could prepare it, would set out in a succinct form those recommendations of the merger study which in fact are not taken into the bill.

It is very difficult to compare a bill that amends a basic bill and draws upon a study to make certain that one fully understands which of the recommendations have been adopted by the government and introduced by way of amendment, and which of them have not been adopted and taken into the bill. It is easy to see that a substantial number of the recommendations have been taken in without any alteration or change, but it is also true that it is obvious that certain of the recommendations have not been adopted by the government for what-

ever reason. When the bill goes through committee we will try to deal with one or two of them which appear to us to have been altered. But perhaps the minister could, at some point, let us know by way of a letter or a statement or an eliciting from the Securities Commission, which recommendations have not been adopted by the government so that we can have some complete understanding of the extent to which the report has been finally adopted. With those remarks, Mr. Chairman, we will support the bill and leave it to Committee of the Whole House to deal with the particular specific amendments.

Mr. Speaker: Any other member who wishes to speak to the bill before the minister replies? The hon. minister.

Hon. A. A. Wishart (Minister of Financial and Commercial Affairs): Mr. Speaker, I think I shall speak briefly on this second reading. I would like to get clear from the members who have spoken, the member for Sudbury and the member for Riverdale, if they wish the bill to go to Committee of the Whole or to the legal bills—what we used to know as the legal bills committee—for study.

Mr. Sopha: May I ask the minister, has he received any representations from anyone outside the government?

Hon. Mr. Wishart: No, I believe not, not that I am aware of. There may have been something that I would not be aware of, but I think that is unlikely. I have not had any representations with respect to this.

Mr. Sopha: We are content that it go to Committee of the Whole then.

Hon. Mr. Wishart: I am told that the only recommendation not included in this bill is what is known as the cornerstone prospectus, the continuous reporting feature. However, I shall check to see if there are any recommendations of that committee on the Ontario Securities Commission—in its recommendations there were not—and make them known to members. I can do it before we get to the Committee of the Whole.

At this point, I would like to say that I am grateful for the remarks of the member for Riverdale complimenting the committee, which did such excellent, thorough work in the recommendations that it brought forward. I am glad that he has mentioned it. I am very glad to listen to them and I am sure those remarks are very much deserved.

I had the privilege of recommending Professor Willis to the Ontario Securities Commission when the commission was in The Department of the Attorney General, when I was Attorney General. I am not sure whether the salary has been increased since that time or not, but I heartily agree with the comments made as to his work on that commission and to his great assistance in this legislation.

The hon. member for Sudbury speaks of going much further. That perhaps is not particularly in order really on second reading of this bill. We have a bill to carry out recommendations made from the study of our committee. We have provisions in The Securities Act now. Perhaps they do not go far enough. I think maybe there is something to be said for a rule that after 10 per cent ownership is acquired, it must be reported. This goes further and requires further reporting as ownership is acquired in corporations. We shall discuss this in detail and perhaps discuss it more thoroughly in Committee of the Whole.

This is a minor point, but I know the Securities and Exchange Commission in the United States takes the action to restrain or prevent mergers. I think it is The Department of Justice in the United States that—

An hon. member: The minister is right. Yes.

Hon. Mr. Wishart: —stops combinations and anti-trusts—what they consider to be anti-trust combinations. However, these are things that I shall be glad to go into in detail section by section as we go to Committee of the Whole and perhaps we will find—it is a suggestion, I think, from the hon. member for Riverdale that he may have some amendments to offer. I do not know whether he is warning. Mr. Speaker, that is all I can say at this time.

Motion agreed to; second reading of the bill.

Mr. Speaker: It is agreed then that this bill shall go to Committee of the Whole House?

Agreed.

Mr. J. Renwick: Mr. Speaker, I wonder if the Minister would care to go to the Committee of the Whole House now and deal with the bill?

Hon. Mr. Wishart: Fine, I have no objection. I think that is perhaps a good idea.

SECURITIES ACT, 1966

House in committee on Bill 49, An Act to amend The Securities Act, 1966.

Hon. A. A. Wishart (Minister of Financial and Commercial Affairs): Mr. Chairman, in studying the bill since its introduction there has occurred to us some amendments, which I have not got in order at the moment. Also, I do not have the report here of the recommendations that I certainly anticipated having with me when we took it to Committee of the Whole House.

Perhaps I was a little hasty in saying that I was ready. I am familiar with the terms of the bill and could discuss the sections, but I want to offer some amendments. They are not in draft and it would be very difficult for me to deal with, and for the members opposite to understand, so perhaps I might be allowed to retract my hasty decision and go back to some other business which I can call.

Mr. V. M. Singer (Downsview): See what happens when you listen to the hon. member for Riverdale?

Hon. Mr. Wishart: I was going to call the order for committee, not Committee of the Whole, but House in committee of supply.

Hon. Mr. Wishart moves that the committee rise and report.

Motion agreed to.

The House resumed, Mr. Speaker in the chair.

Mr. Chairman: The Committee of the Whole House begs to report progress and asks for leave to sit again.

Report agreed to.

Clerk of the House: The 20th order, House in committee of supply; Mr. R. D. Rowe in the chair.

ESTIMATES, DEPARTMENT OF
TOURISM AND INFORMATION

Mr. Chairman: The estimates of The Department of Tourism and Information.

Does the hon. minister have a statement?

Hon. F. Guindon (Minister of Tourism and Information): Mr. Chairman, this year for the first time I have the privilege of reporting to the members of the Legislature the activities of The Department of Tourism and Information and The Department of

Public Records and Archives for the fiscal year 1971.

Nineteen seventy was a good year for tourism in the Province of Ontario. The tourist industry registered a 5.3 per cent increase over 1969 in United States vehicle traffic and had an all-time record travel spending total of an estimated \$1.8 billion.

The tourist industry's contribution to the provincial economy is clearly marked by the continuing and ascending pattern that has gained annually from \$265 million reported for 1961.

Today tourism is big business. It directly employs almost 10 per cent of the province's work force and ranks third to pulp and paper and manufacturing as an export commodity. Approximately 30 million visitors entered Ontario last year as tourists and almost two million visited one of our 37 reception centres throughout the province. This represents more than two-thirds of all tourists driving into Canada yearly. Every year more than 25 million American visitors spend over \$500 million in our province. American visitors consist of more than three times our own population. Every year tourist spending in my province exceeds \$1.7 billion and is now the third largest generator of US dollars in Ontario.

To give the hon. members some idea of the extent of my department's promotional programme, we distributed in 1970 over four million pieces of literature to various organizations in Canada and the United States. As well, we received over one quarter of a million inquiries, through the mail and by telephone, about opportunities for tourists in Ontario. We are now about to focus additional attention to the tourist potential of our own residents, particularly urban southern Ontarians. Actually, most tourist spending is generated by Ontarians in Ontario. This internal expenditure represents about 60 per cent of all tourist dollars. Yet, we do not believe that we have by any means exhausted the potential of the local market.

As you will note in a few moments, through our expanded promotional techniques we are attempting to convince people in southern Ontario to take wider advantage of the tremendous tourist attraction in the northern part of the province. This means we must operate today the three-point approach:

1. continuous efforts to attract the U.S. visitors;
2. accelerated promotion in the local market;

3. new plans now underway for a piece of the European travel trade.

At the present time we have two representatives located in London, England, and travelling throughout the continent to promote Ontario travel. Moving from Europe back home, we now find that we have more Ontario residents making more trips in the province during the winter and consequently, fewer trips out of the province. We find that more of our residents are winterizing their cottages instead of closing them immediately after Labour Day or Thanksgiving. The department will be releasing very shortly an analysis of Ontario cottages and what effect they have on our economy and this study will show that an average cottage-owner from the U.S. spend about \$1,290 yearly, whereas others spent only \$850 per cottage, annually. The average cottager paid \$96 in taxes on his cottage, \$262 on cottage maintenance and repair, and \$446 on his visits to the cottage. Those who own boats incurred further expenses depending on the type and number of boats.

In 1970-1971 the department issued a major information booklet, "Ontario—There Is A Place Not Far From You." This booklet combines our five route books into one magnificent all-province brochure. The department also has published the following new booklets: "Ontario, Canada," which is commonly referred to as the "mini-lure" booklet; "Roads to Recreation," and four new poster information booklets on hunting, fishing, wildfowl and Ontario minerals. The department also published several multi-information booklets, one of the most topical being "Ontario Boating," which includes information on marine facilities, repairs and accommodation. The department has also combined the provincial accommodation guide into one volume including hotels and motels throughout the province with information about each.

In the belief that television is the medium of the moment, that it allows us greater selectivity of audience plus greater visual impact, the department continues to increase its emphasis on television advertising.

In the United States our major objective is to continue to build an intelligent awareness of Ontario as a first-class vacation destination.

We are convinced that no one reaches a vacation decision without a favourable, or intelligent and knowledgeable awareness, of the vacation destination. So our emphasis is on "intelligent awareness."

We also know some people hold misconceptions about Ontario as a holiday land.

Therefore, another one of our objectives is to change these misconceptions; turn negatives into positives.

Our aim ultimately is to promote Ontario as an all-season vacation land with spring, summer, fall and winter attractions to the tourists. Last year, therefore, we expanded our list of 60-second commercials to include one on autumn in Ontario, and two on winter activities, particularly skiing and snowmobiling. This programme will be continued in 1971-1972.

While television is the bedrock of our promotional thrust, we find print advertising useful for specialized audiences. For example, we have revised our Karsh series of full-page advertisements promoting the adventure of northern Ontario and will rerun them in the Atlantic and Harper's. And we have changed our thinking about fishing advertising. Fishing today is more than just a sport for men willing to rough it in the bush. As we see it, and as it is presented in our magazine advertising, fishing is a sport for the whole family. Our ads say, "In Ontario, we have a new angle that could make you a hero. It is called the family fishing trip."

Our media objective in Canada is to provide coverage of specific areas: Toronto, Montreal and Winnipeg, and to provide concentrated coverage of prospective tourists within these areas. Television provided total penetration in each of these areas and the United States television campaign in border areas such as Detroit, Buffalo, Rochester and Syracuse effectively complemented the Canadian campaign.

The spring, summer and fall campaigns were promoted on television stations in Toronto, Hamilton, Montreal and Winnipeg. The winter campaign was featured in the Toronto-Hamilton market, while the skiing commercials were featured in Toronto, Hamilton and Winnipeg, to promote skiing in northwestern Ontario.

For a few moments, I would like to discuss with you the planning and development branch of The Department of Tourism and Information and its work in this field. The objectives of the department are to develop tourist and recreational attraction and to encourage and promote involvement in the standards of accommodation facilities and services to the travelling and vacationing public.

The tourism industry relies on a delicate balance between private initiation and public intervention. Since so much depends on private initiative our planning function must be indicative and flexible to suggest and respond rather than erect and impose.

The branch has been involved in the planning activities in regard to the Toronto-centred region. This area extends well into resort country through Lake Couchiching, Balsam Lake, Sturgeon Lake and east of Peterborough. We presently have staff representatives of the department and the tourist industry to help put this plan into effect.

New four-season resort complexes are now developed in the northeast. They contain clusters of year-round rental or owned recreational residences and condominiums. This branch also is also one of the most effective means of counselling the tourist industry in the promotion of their facilities throughout the province. This department works closely with the Ontario Development Corporation which has recently expanded its sphere to take advantage of available money.

No report on The Department of Tourism and Information would be complete without some mention of the very successful opening of the final stage of Ste.-Marie-among-the-Hurons. This site has become a major tourist attraction in the Midland-Orillia area and will prove to be one of the finest examples of restoration in Ontario. As I am sure you are well aware, the final stage was opened by the hon. Prime Minister (Mr. Davis) approximately one month ago. This final stage involves a participation museum which now makes Ste.-Marie-among-the-Hurons complete.

Fort William in Thunder Bay is a major undertaking which will begin construction very soon. The official sod-turning ceremony will take place June 28 at the site of the Kam River. Again, the Prime Minister will participate in that ceremony.

The Department of Records and Archives has been involved heavily in the past year in assisting the implementation of an improved government-wide record management programme. This programme involves the inventorying and identification of the records-series of all government departments so that they may be controlled and made more accessible under specific retention schedules. In co-operation with Treasury Board's records management committee, the archives provides skilled technical advice and assistance to departmental officials in the scheduling and overall management of their records and in

the training of the departmental officials concerned. The archives also operates a low-cost repository for the less active records of the various departments at Cooksville. During the calendar year 1970 it was estimated that net savings of some \$650,000 were effected through this programme, and this saving is expected to be at least doubled during the present year.

The total number of registered research visits made by members of the public to the archives during the last year is the largest to date, in spite of inadequate physical facilities in the present archives building. Provisions have been made to move the archives to new and expanded quarters during the coming fall. Many valuable manuscript collections were added to the archives' holdings during the last year, both by means of transfer from government agencies and through purchase or donation from non-government sources.

The archives historical marking programme, under the guidance of the Archaeological and Historic Sites Board, will be continuing at its rate of 40 to 50 plaques per year, and a total of some 640 have been erected to date. It is hoped that during the present fiscal year, some of the results of the very extensive basic research back of this programme will be made available in published form for distribution to schools and other interested institutions.

Our museums advisers will continue to provide technical advice and assistance to the province's local museums in such fields as display, conservation, identification, cataloguing, financing and publicity.

Last year marked the first full year of operation for the Ontario Science Centre. It was a period marked by intense visitor reaction to the centre, almost all of it favourable and much of it from American tourists. Up to the first of April of this year, the centre has been visited by more than half a million paying customers, and more than 40,000 school children admitted free on educational visits.

Also impressive was the number of professional groups visiting the centre. These ranged from museum directors and exhibit designers, to scientists and architects. The entire board of directors of the New York Hall of Science paid a visit to discuss their own development with us.

Astronaut James Lovell was another prominent guest of the centre, and a group of scientists from the Soviet Union were given

a tour by a Russian-speaking member of our staff. He reported that they left most impressed.

In all, 51 new exhibits were added during the year, and 43 were subject to major modifications.

In 1970, the travel research branch completed 15 major studies on the tourist industry, mostly related to visitors; 17 smaller research projects were completed and 13 major research projects are now under way. Two departmental studies are of particular note and give some general indication to the widespread activities of the department across the province.

The first major study is the development of tourism in southern Ontario. In January of this year, the department contracted with Proctor, Redfern, Bousfield and Bacon to formulate planning concepts and guidelines to aid our field staff in carrying out their duties of administering their respective areas. This study is designed as an interim measure until the more comprehensive interdepartmental tourism and outdoor recreational plan is made operational.

The consultants' task is to draw up a composite picture of tourism as it exists at the present, to gain an appreciation of the problems and, as I have mentioned, to develop guidelines that will be particularly useful to the field staff; finally, to establish priorities for the development of the tourist industry in each tourist area, and for northern Ontario as a whole.

Because of the growing importance of snowmobiling in the province, my department's travel research branch is in the process of completing a survey on the socio-economic characteristics of snowmobilers, the intensity of usage and the economic activity generated.

Theatres branch: The number of feature films submitted for examination was 728, of which 211 were restricted, 233 were classified as adult entertainment and 270 for general audiences. Fourteen were not approved. One hundred features were approved after requested eliminations were agreed to by the film exchanges.

We seem to be entering a healthy period of activity for Canadian-produced films. This year the board was pleased to view nine Canadian features. Some of these films, with dialogue in the French language, should help in promoting a better understanding between French- and English-speaking Canadians.

The volume of advertising received for examination remains around the level of recent years. We examined 16,251 pieces and rejected 380. After alteration, a further 69 were approved.

During the year we continued the policy of discussing our work with various public groups. In this regard a number of high schools conducted seminars variously known as "Discovery Day," "Perception Day" or some such descriptive title. It has been our frequent pleasure to participate in many of these discussions.

There were 402 theatre licences issued during the year—

Mr. J. E. Stokes (Thunder Bay): Did the member enjoy the films?

Mr. Guindon: —and a total of 2,122 visits to theatres, including 124 special visits during children's matinees, were made by our inspectors who issued 318 orders to conform to safety regulations.

St. Lawrence Parks Commission: A year ago on this occasion, Mr. Chairman, I spoke to you on behalf of the St. Lawrence Parks Commission, whose facilities include Upper Canada Village near Morrisburg and Old Fort Henry at Kingston.

These major historic sites and the chain of parks from the Bay of Quinte to Gengarry on the Quebec border form one of the most important complexes in Ontario tourism. All aspects of the commission's facilities achieved new attendance and revenue records during 1970 and even this early in the season of 1971 are substantially ahead of a year ago.

The Ontario Heritage Foundation, one of this government's most important agencies, has been deeply involved in the history of this province for three years. This year, the foundation opened a fine example of a 19th century apothecary in Niagara-on-the-Lake. It recently accepted 50 acres of land near Aurora and the foundation's personnel are presently studying this area to find a viable use for this land. Since the inception of the foundation, 300 offers of historic properties have been made to the foundation with many of these involving historic buildings.

We, in Ontario, are particularly fortunate in having an environment which appeals to everyone, not only in its diversity but also in its clean water and fresh air. The past year has been a good year, filled with successes from Ste.-Marie-among-the-Hurons to the announcement about Fort William. We

look forward to vastly increased spending in the tourist industry and a constantly growing influx of visitors.

Hon. members, I would like to leave further discussion of the estimates of my department for your questions. I leave you with the thought that the money in these estimates will be used to promote one of Ontario's most important industries, tourism.

Mr. Chairman: The member for Perth.

Mr. H. Edighoffer (Perth): Mr. Chairman, I would like first of all to congratulate the new minister on his portfolio. I have, of course, seen him around the province on several occasions and I certainly hope he enjoys his duties. I must say, though, that I noticed in the paper not too long ago that one person in Toronto, maybe, did not think too much of this minister, because he used a five-letter word in one of the headlines criticizing the minister and the Fort York site when he made comments regarding this.

Again, Mr. Speaker, I welcome this opportunity to take part in the discussion of the estimates of The Department of Tourism and Information. Tourism, as the minister has stated, is, and will continue to be, one of the greatest means of revenue in the province and, of course, it affects the economic climate in many areas. Being a resident of the Stratford area, I am fully aware of the impact of the tourist dollars. I might add that I was most pleased to see the new minister in attendance at the opening of the festival on June 7. I am sure he enjoyed his visit. I might add that having the Fort Henry guard there for the official opening at the noon hour was certainly impressive. It shows that the tourist industry throughout the province is co-operating to promote this business.

Last year during the estimates and during my opening remarks, I went into detail regarding the theatres branch and stated our views on censorship. I do not know if the present minister is as interested in censorship as the former minister was, but I do not feel I want to take any more time as our party's position is on record. I will leave that as it is.

As I read the 1970 report and again scanned back over the 1969 report, it was somewhat alarming to note that in 1969 the report stated that in Ontario, after a comparatively slow start, the tourist industry registered a five per cent increase over the previous year. In the report received a few weeks ago for 1970, it stated that total travel spending is estimated to have increased

modestly over the previous year's total of \$1.7 billion. I am wondering if this means that it is very much below the five per cent increase. I realize economic conditions were somewhat changed, but in my estimation this should be cause for alarm by this department and by this government.

Another reason might be that the provincial parks are attracting more people for somewhat less expensive holidays, but then the decrease in the amount spent by the tourist might show up in the sales of trailers, tents and equipment. We should, I think, enjoy an increased tourist reaction. I was glad to read that the department is now furthering its promotion for winter sports and outdoor activities.

On looking over the responsibilities for this department, I will say, as I did last year, that it could be the time either to dispense with the department or else add more responsibility in order that tourism in Ontario may develop to its maximum. Too many bits and pieces of promotion are being promoted on a helter-skelter basis by many departments. As we look at different departments, we see Energy and Resources Management, Municipal Affairs, Land and Forests, Treasury and Economics, Trade and Development, even Transportation and Communications—all these departments take part.

It appears to me that this could be a catch-all department. Under the tourism part, we have archives and history, Huronia historical parks, the St. Lawrence Parks Commission, the Ontario Science Centre and, of course, all the advertising, publicity and the research that gives us films and brochures of many kinds, as the minister stated today.

The department also licenses tourist establishments and gives grants to tourist councils. Then we look over to the information branch and we read—and I really believe this could be somewhat misleading to the public. Many people think this is an Ontario government information department, but if we read the report we find it is a travel counselling arm of the government and its task is to convert prospects into tourists. This is certainly a most important aspect, if we want to maintain our tourist industry, but I now see better co-ordination if these branches were combined with other branches of the government.

The official opposition has stated from time to time that government departments should be reduced so the government would be smaller and more efficient, and this is one department that possibly should go without too much trouble. I think archives and history

could go to The Department of Education. The theatres branch could go the Financial and Commercial Affairs department. Travel research could go to Transportation and Communications. St. Lawrence Park and historical parks could go to Lands and Forests or along with Niagara, to Municipal Affairs.

Mr. J. E. Bullbrook (Sarnia): Where do you want the minister to go?

Mr. Edighoffer: He can go further.

Mr. R. F. Ruston (Essex-Kent): He can retire.

Mr. T. P. Reid (Rainy River): They can carry him. He is not a bad fellow.

Mr. Ruston: No, he is a nice fellow; we will let him retire.

Mr. Edighoffer: Then, of course, the promotion department in the Science Centre could go to the Trade and Development department. This, of course, is a suggestion for the present administration, but we, as a Liberal government, would divide it up among three departments. First would be Industry, Trade and Development; second, Resources; and, third, Environment.

An hon. member: Which we just do not have time to enjoy.

Mr. Ruston: Yes, we will take care of it.

Mr. M. Gaunt (Huron-Bruce): Come October.

Mr. T. P. Reid: You had better be careful there. You are in trouble.

Mr. Edighoffer: Mr. Chairman, I know that this department has had many meetings across the province with tourist councils and regional development councils. I would like to refer to the Land Between the Lakes Guidelines for Action, 1971.

I attended one of these meetings and was most impressed by the time and effort put into this display. Much thought had gone into the preparation. The minister was there to speak. A stage and screen was prepared for a professional production, and we were shown the short commercial films used on TV to lure the tourists to Ontario.

The impact of the presentation was in two parts, as stated in the booklet, which has been produced. First was the review of the existing tourism resources and marketing methods. Second, were the guidelines for action.

I was most interested in the three guidelines for action, which were headed: 1. Maintaining environmental quality; 2. Expanding tourist facilities and attractions; 3. Better marketing.

Under each of these headings certain recommendations were made. I will not take the time to go into detail as I know each member probably has a copy of this study, but I would just like to suggest that under No. 1—maintaining environmental quality—this could certainly be looked after by the Energy and Resources Management or Municipal Affairs departments.

No. 2. Expanding tourist facilities and attractions. This could, of course, go under Trade and Development or Lands and Forests, and No. 3, better marketing could certainly be handled by Trade and Development.

It would seem to me that we are spending on services which could be controlled in a more co-ordinated fashion.

Mr. Chairman, as we are discussing tourism, I am prompted to mention Ontario. I realize there are no moneys in these estimates for Ontario Place, but I regard it as a tourist attraction and one which has cost the people of Ontario a lot of money. As I went back over the press clippings on Ontario Place, I noted that the then minister, who announced it, stated it would cost \$13 million. Today we find that that cost has doubled. Maybe the area has been enlarged, but it amazes me how easily this government can find an extra \$10 million or \$15 million if needed for that type of promotion.

Mr. Gaunt: I think they print their own money.

Mr. Edighoffer: The reason I mention this—

An hon. member: Makes the Bonaventure look like a rowboat.

Mr. P. J. Yakabuski (Renfrew South): They found some money for Stratford when they needed it.

Mr. Edighoffer: Great area! The reason I mention this expenditure briefly is that I recall over the last several years how the tourist operators have been invited to come before a committee of the Legislature and present their brief. This always seemed like a sensible idea and, of course, many useful suggestions were made. The one request that always came up was the need for funds to be made available to tourist operators. They did not want forgivable loans but some funds for assisting in the expansion of the facility.

I realize that last year the minister did make a great announcement that a \$1 million loan fund would be established to provide qualifying resort operators with loans of up to \$50,000. This was certainly a welcome fact and I fully realize that this programme has been changed somewhat and the amount has been increased to \$75,000 now. This was certainly a welcome fact, but I compare this \$1 million, which has to be spread all over Ontario, to the millions spent at Ontario Place.

It would seem to me that if that extra \$10 or \$15 million used to enlarge Ontario Place had been put in a fund for the tourist operators, we could have gained a great deal more tourist revenue and probably would have received better value because private enterprise would have been participating.

Now as far as continuing with the invitations to the tourist operators is concerned, it would look as though the government has given them a loan fund and does not want to hear any more from them. I have not heard of any such meetings continuing this year and I would suggest that the minister look seriously at this and continue with this programme.

Mr. Chairman, I would like to make just one other brief comment or two before closing. I noticed when I was at a meeting—I believe it was in April, 1970, when the deputy minister was at a meeting in my area. He was speaking to the midwestern regional tourist council. Briefly, he was talking about allocating funds for promotions by the municipalities. I just quote briefly from the remarks he made.

Most of you are aware, I am sure, that every sizeable community in the province maintains an industrial commissioner within the employ of the municipality or the local chamber of commerce. This person's job is mainly devoted to seeking out new industries or encouraging the development of existing ones.

It is especially painful to see this when municipal governments get in over their heads in offering incentives to industry to locate in areas which are not now and perhaps never will be particularly attractive to secondary industrial growth. It is also painful to view the bitter industrial competition among the municipal neighbours.

It is our view that some of these communities may be better off in the long run to get out of the competitive race and turn to the leisure industry, tourism, because

this is an industry which lends itself to co-operation rather than to competition at the community level.

Mr. Chairman, I took this to mean that some municipalities should forget all other industry in terms of tourism and I should just like to pose this question now to the minister. Is it the policy of the department to recommend to municipalities that they can be assured that tourism is as efficient and as definite a means of maintaining a municipality for an untold number of years?

Before closing, again, I cannot help pass up the opportunity to make a brief comment on the article in the Windsor Star by Bill Frade. I would just like to quote from this article.

The Ontario government has a report with recommendations on the troubles besetting the Muskoka district and among other things it says: Our concept of a model recreation community takes the form of a triangulated hexagon. Each triangular segment is a dependant totality with vector lines constituting the dominant factors, the outer records containing the action ingredient or planning tool that enables the purposeful organization of the dominant to meet or to create markets for the activities contained in the community.

Interjections by hon. members.

Mr. Edihoffer: To continue the quote:—

The Muskoka lakes district has been slipping and decaying as the province's prime vacation area and the report written for the government by an outfit called Project Planning Associates Limited apparently contains recommendations for local government and local actions to remedy this situation. The whole thing is called recreation and community development on the Canadian Shield portion of southern Ontario and the documents made public recently by the tourism department are divided into two volumes.

The paragraph quoted above can be found sort of stumbled upon on page 6 of volume 1 called "Concepts of a Model Recreation Community." There is a feeling that it provides the key for transforming the Muskoka lakes back into an area of both natural beauty and profit if only someone knew what it meant. Now various officials of the Tourism department have been contacted but to no avail. Admittedly a lot of senior department officials, including the then minister, Mr. James Auld,

were out of town and unavailable for explanations, but a press gallery colleague, who did reach Mr. Auld, would have done just as well not to have bothered. Mr. Auld could not explain it.

The highest ranking available gentlemen in the department's research branch explained how valuable is the report, but he did not know what that part of it meant either. He suggested he might have understood it once but it has been three months since he last saw it. The government here buys a lot of reports from time to time to help its own planning; to aid in drafting legislation; and for its and the public's edification. Some are quite good. However, if the Tourism department really needs all the information it receives from the Muskoka report, the department is either incredibly inept or it is buying a lot of junk along with possibly some things of value.

Now it goes on and on, and the other interesting thing quoted is that the head office for Project Planning Associates Limited is in St. John's, Newfoundland.

There are certainly many other areas I would like to or could discuss at this time. I know that Tourism, as we have seen in many press releases, is being affected by pollution in many areas. In northern Ontario we hear of some camps that are not opening or partially opening because of water pollution. In my own riding we even have air pollution problems. I received a letter just the other day from visitors—

Hon. G. A. Kerr (Minister of Energy and Resources Management): Much to do about nothing.

Mr. Edighoffer: The minister enjoyed it, though.

Mr. Yakabuski: Blew over from Pittsburgh or Gary.

Mr. T. P. Reid: Where did you blow in from?

Mr. Edighoffer: I just received a letter from a family which keeps guests in our area and because of some of their air pollution the guests were certainly discouraged and thought they would never come back. And I have names here from East Africa, Germany, the West Indies, Switzerland and Ireland.

Mr. Chairman, there is no doubt that we must continue to promote tourism in the

most efficient and effective way, and I hope the minister will take note of some of the comments I have made.

Mr. Chairman: The member for Thunder Bay.

Mr. Stokes: Mr. Chairman, I would like to join with the member for Perth and congratulate the new minister on his most recent appointment and wish him luck in this portfolio.

Mr. E. W. Sopha (Sudbury): Are you the critic of every department?

Mr. Stokes: Just most of them.

Mr. V. M. Singer (Downsview): They run a little thin over there in talent.

Mr. Stokes: I have followed this department with a great deal of interest during my tenure in this Legislature, and I think that most of the comments that I made in the first instance in 1968 are to a large extent still valid today. We are spending a little bit more money—

Hon. L. Bernier (Minister of Mines and Northern Affairs): Not much.

Mr. Stokes: —but certainly not enough to do the job that the tourist industry expects of this department and the kind of attention that they certainly merit, given the tremendous contribution that tourism does make to the economy and to the people of the Province of Ontario.

When one considers the close to two billion dollars that accrues to the economy of this province as a result of our tourist industry, it is little wonder that we do have a lot of entrepreneurs engaged in the tourist industry being highly critical of the lack of co-ordination, the lack of understanding and the lack of assistance given by this department and this government to such a significant industry and such an important industry in the Province of Ontario.

I notice in the annual report, and in some research that I have done in preparing myself to speak on behalf of the New Democratic Party during these estimates, that the government and this department again seem to indulge themselves in studying and re-studying and surveying and resurveying without coming to any definitive conclusions as to where they are really going in promoting tourism in the Province of Ontario.

I was interested to hear the minister, in his leadoff remarks, refer to a study that had

been conducted by Proctor and Redfern. I was going to mention a study by Peat Marwick that had been taken a couple of years ago in the Kenora-Rainy River area, and of course I think the minister's colleague sitting next to him—the Minister of Mines and Northern Affairs—will agree with me that nothing tangible has resulted from that study, and yet we are engaging ourselves in province-wide studies with no tangible results.

Hon. Mr. Bernier: That is not right. An incorrect statement. If you will check the recommendations you will see that many have been completed

Mr. Yakabuski: The hon. member for Thunder Bay is always misleading the House.

Mr. Stokes: I do not know of any of them that have and if you want to get involved in the estimates of this department, feel quite free to do so. I will debate them with you.

I happen to come from an area that relies to a large extent, on the tourist industry and the resource industries generally. I am well aware of the deficiency of this department to come to grips with the problems of the north, particularly as it affects the tourist industry.

You are not going to sidetrack me, because I can show you 68 recommendations in the Design for Development of northwestern Ontario. I can show you the recommendations of the Northwestern Ontario Development Council—and if they were satisfied with the progress made to date in northwestern Ontario they would not be indulging themselves in spending hours and hours making recommendations to this government and to this department as to what needs to be done to foster that kind of development—

Interjection by an hon. member.

Mr. Stokes: —in the tourist industry.

Mr. E. Sargent (Grey-Bruce): Is the deputy minister there?

Mr. Stokes: One of the—

Hon. Mr. Bernier: Mr. Chairman, on a point of order—

Interjections by hon. members.

Hon. Mr. Bernier: —I think the hon. member is misleading the House—

Mr. Yakabuski: He always misleads the House.

Hon. Mr. Bernier: —because the report that he refers to is the Design for Development—

Mr. Singer: That is no point of order.

Hon. Mr. Bernier: —has not as yet been accepted as government policy. They are being reviewed—

Mr. Singer: Order! Order!

Hon. Mr. Bernier: —and the northwest Ontario tourist inventory study has been amply looked into by The Department of Tourism and Information—

Mr. Singer: He is trying to debate the thing.

Hon. Mr. Bernier: —and many of the recommendations have been complied with.

An hon. member: To a point, you have a point of order.

Mr. Stokes: Thank you, Mr. Chairman. The Minister is quite right, they have looked into it. But they have been looking into these reports ad nauseam and whenever they get sick and tired of looking into one report they commission another study so that they can engage themselves into looking at yet another report.

I want to refer, Mr. Chairman, if I might, to the most recent study. It is called TORPS—the tourism and outdoor recreation plan study and a committee goes along with it. This was unveiled about 14 months ago and I would like to know from the minister just what benefit accrues to the province and to the tourist industry as a result of these comprehensive surveys. I would like to know what tangible value is in these reports. How do you intend to use them? And I want to go way back in the tail end of the report. It is appendix A, and it is a glossary of terms, where they spend considerable time defining what “accessibility” is, “activity accommodation passage,” “attraction,” “home-based recreation”—and I would like to know what home-based recreation is, you know?

Mr. Sopha: You do not know what home-based recreation is?

Mr. Stokes: I do in my terms, but I want to know if the minister agrees with me. It says:

This is defined as being any form of recreation that involves a single activity purpose, during a day or a part of a day—

It does not say anything about night.

—and does inform the use of any form of lodging or accommodation away from home, or a permanent residence.

And, down on the bottom of the page—

Mr. Sopha: I would have nothing to do with that.

Mr. Stokes: —Mr. Chairman, it mentions something about motivation, and it goes on

to study that. I am just wondering if this is the extent to which this department indulges itself, you know, in a comprehensive survey of the tourist industry.

Mr. Sargent: Good-looking book.

Mr. Chairman: Perhaps this would be a convenient spot to adjourn.

It being 6 o'clock p.m., the House took recess.

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Legislature of Ontario Debates

OFFICIAL REPORT — DAILY EDITION

Fourth Session of the Twenty-Eighth Legislature

Tuesday, June 15, 1971
Evening Session

Speaker: Honourable Fred McIntosh Cass, Q.C.

Clerk: Roderick Lewis, Q.C.

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OFFICIAL REPORT—DAILY EDITION

Fourth Session of the Twenty-Ninth Parliament

Tuesday, June 15, 1971

Evening Session

Speeches: Hon. J. G. Bennett, P.C. (17)

Topic: Canada's Future (17)

THE HON. J. G. BENNETT, P.C.

Speeches

(17)

LEGISLATIVE ASSEMBLY OF ONTARIO

TUESDAY, JUNE 15, 1971

The House resumed at 8 o'clock, p.m.

ESTIMATES, DEPARTMENT OF TOURISM AND INFORMATION

(continued)

Mr. Chairman: The member for Thunder Bay.

Mr. J. E. Stokes (Thunder Bay): Yes, thank you, Mr. Chairman.

Before the dinner break we were talking about the TORP study and home-based recreation. I am sure the member for Sudbury (Mr. Sopha) and I know what home-based recreation is. I just hope that over the dinner hour perhaps the minister has had an opportunity to assess for himself in his own department what importance he places on that particular aspect of this study.

I am particularly concerned, Mr. Chairman, about the effect of the new incentives programme and what good effect it might have on the tourist industry. In speaking to many people who are involved, I find that they are highly critical of the programme that has been set up and was specifically designed to assist the tourist industry in expansion, or in the construction of new outlets.

I would feel that the minister, the newly appointed Minister of Tourism and Information (Mr. Guindon), should take it upon himself to impress upon his colleagues the need for setting up a fund specifically designed to foster the kind of growth that is talked about in the tourist industry, separate and apart from The Department of Trade and Development. I am—

Mr. E. Sargent (Grey-Bruce): A capital loan fund.

Mr. Stokes: Yes, I feel very, very strongly, and I think that many people in the industry feel very strongly, that the needs and aspirations of those involved in tourism are getting short shrift, inasmuch as it seems to get lost in the overall swim of things. I think that this department and this government is really selling the tourist industry short.

I do not think that there is any area of endeavour in the province today that has as much potential as the tourist industry. I would like to quote from an article that appeared in the Ontario Naturalist in 1970. It is entitled "Tourism Oversell and Under-supply" and it was written by Wayne MacLaren, and I quote:

Speaking as an advertising executive and one whose experience includes work with the Canadian government travel bureau account, I feel qualified to say that Mr. Robarts has the best-run government tourist promotion agency in the world.

The techniques it uses are the most sophisticated I have seen and its material the most persuasive. Does this professionalism testify to Mr. Robarts' wisdom? Maybe. Tourism is one of Ontario's largest industries and last year generated a bundle of \$1.6 billion. Over \$500 million of it was brought into Ontario by Americans. This is our most important tourist income because it is foreign money. Moreover, the US is where the biggest growth potential is, so naturally this is where Mr. Robarts concentrates his selling efforts. So far so good. To attract them he has Ontario—breathtakingly beautiful Ontario. "The land bursts open" says his most handsome brochure. "We have got country here nobody has seen yet, never mind used. There are lakes so fresh and so countless that you could name one after yourself and nobody would mind. It is all here waiting, familiar-looking but different, different because it has not yet been touched, privacy and a piece of your own choosing."

Ontario's scenic beauty is the specific commodity that we in advertising and marketing call a unique selling proposition. It is as honey is to the bear. If it is—

Interjection by an hon. member.

Mr. Stokes: Quoting:

If it is eroded, motivation to travel here will be eroded too. Other attractions like Stratford—

As the member for Perth (Mr. Edighoffer) knows—

—like Stratford and Upper Canada Village won't matter a whit. Instead of selling Ontario to tourists, Mr. Robarts could be selling it down the river. Because of his assumptions and his failure to set new priorities he is killing off the future tourist industry by systematically killing the very thing that attracts US visitors. Each summer pressure on our parks and recreational areas become greater. People are turned away from camp grounds, highways spread like varicose veins across the countryside, industry gallops along the highways and byways, urban sprawl, sprawls further, and so on, all in the name of development. You have heard all of this before. So, likely, has Mr. Robarts. The only trouble is, we understand it, he doesn't. He sees the heavy traffic rushing north from Toronto on Highway 400 toward parks and lakes, so quite rightly he gets alarmed. But instead of spending two bucks to ensure the quality of the lakes, to widen the parks system, he spends \$2 million to widen the highway 15 feet. Then he pleads he has no money left over to spend on parks and environmental quality. The proposition that he has to spend \$483.5 million on highways this year is bunk. With one stroke of the pen he could divert half of this expenditure and not only purchase the land recommended in the Gertler report, but huge tracts in other endangered areas and he still would have enough left over to help finance new sewage treatment facilities and the ecological land-use planning studies so desperately needed in the municipalities. Surely it would scare the party bagmen and the contractors and a few backbenchers, but it would get overwhelming popular support if properly initiated and explained to the people of the province.

Returning to tourism, Mr. Robarts' sales strategy has two basic steps: 1. Get them here. 2. Keep them here. The escarpment park could play a vital role in fulfilling both of these objectives, as it is within a day's drive of Buffalo and Detroit, which are two of the heaviest border-crossing areas. Research shows that after the first trip to Canada, Americans tend to return. The escarpment park would be a powerful attraction for these first-time visitors. As well, many people who drive on to Quebec could be enticed up toward the Bruce instead. If half of our 21 million American visitors spend a mere 24 hours in the province over their present average, it represents more than

\$100 million additional income based upon the average expenditure of \$10 per person per day.

Even with today's soaring land costs, land acquisition along the escarpment is estimated at only \$31 million, according to the Gertler report. But like most politicians, Mr. Robarts is one step behind the people instead of a step ahead where he belongs. He thinks his highway programme will get him more votes. It is up to you to see that he finally understands that environmental concern now represents more votes.

Mr. J. R. Simonett (Frontenac-Addington): Do you believe that? What are you talking about—highways?

Mr. Stokes: Yes. I think that is a fair assessment of what is going on in this government and their twisted sense of priorities. I think that it is—

Mr. Simonett: You know that will come back to haunt you some day.

Mr. Stokes: —very, very appropriate. I want to return to something that seemed to have provoked the Minister of Mines and Northern Affairs (Mr. Bernier), when he came to the rescue of his colleague, the Minister of Tourism and Information, over a remark that I made earlier concerning the need for fostering a greater degree of development in the tourist industry. And I want to refer to the northwestern Ontario Design for Development.

As most people in this House are well aware, if northern Ontario, and in particular northwestern Ontario, is going to come into its own, it is going to be because of increased activity in the resource-based industries, whether it be mining, forestry or tourism. And in the recommendation contained in the Design for Development Phase II for northwestern Ontario there were something like 69 recommendations, a good many of them dealing with the tourist industry. I made mention earlier of the study that was made of the Kenora-Rainy River area; some 27 recommendations were contained there, many of which have just been forgotten about and no action has been taken.

Now, this government again has a wonderful opportunity to demonstrate to the people of northwestern Ontario where this Design for Development applies, and to do something in a meaningful way to assist the economy of that area by fostering the

kind of development that is envisaged by the many recommendations contained in that Design for Development.

Recommendation 2-17 says that major integrated recreational complexes featuring camping, golfing, swimming, boating, skiing, fishing and hunting should be established at key locations in northwestern Ontario. It is suggested that sites be investigated and, if warranted, acquired or reserved on the eastern shores of the Lake of the Woods—and that is the very area that I was speaking of that seemed to incur the ire and the wrath of the Minister of Mines. It is the very area that I was referring to. Now if the things that were recommended in that report had been implemented, there would be no need for us to be recommending them in the Design for Development.

It refers specifically to the shores of the Lake of the Woods; on Eagle Lake near Vermilion Lake; or near Minnitaki Lake, south of Sioux Lookout; on accessible areas of the western shore of Lake Nipigon and on the eastern shore of Lake Nipigon near Beardmore, and on the north shore of Lake Superior between Pigeon River and the Slate Islands. Such development should encourage the widest availability of facilities to the public, and a substantial return of benefits to the region itself, and could involve joint efforts by government and the tourist industry.

It also says that under The Department of Tourism and Information, integrated and varied tour packages should be initiated and promoted to take maximum advantage of all types of recreational attractions and to extend the average visitor's stay in the area.

Major tourist events should be developed in northwestern Ontario which would attract large numbers of people from many parts of Canada and the United States. As examples, these events could include an international winter sports competition, a summer voyageur festival, taking advantage of the recreational resources of Thunder Bay and elsewhere.

Full advantage should be taken of the unique historical characteristics of northwestern Ontario. The north shore of Lake Superior should be developed as a major cruising area, with encouragement being given to the establishment of marina facilities, marina-oriented hotels and on-shore recreational diversion.

To utilize more fully the historical and environmental qualities of the international boundary waters, the Pigeon River, Lac la

Croix, Rainy River and Rainy Lake systems should be developed for canoeing and other wilderness recreation. I see my colleague from Fort William is in the House and he should be very interested inasmuch as we both sit on the same committee together.

Mr. J. Jessiman (Fort William): You paddle a different canoe.

Mr. Stokes: That is right. So nobody knows any more than the member for Fort William of the need for exploiting the huge tourist potential that we have in that area.

Hon. J. W. Snow (Minister without Portfolio): Yes, but he is doing something about it.

Mr. Stokes: What is he doing about it? Incidentally, I would like to pay tribute to the minister for the announcement made by his predecessor (Mr. Auld) and his undertaking to reconstruct the fort at Fort William. I do realize that there is considerable controversy going on in the city of Thunder Bay now about its actual location. With regard to the location, I am not too concerned about that. We will leave that to them to argue among themselves about where it should be. I am particularly interested in getting it established, and the sooner the better, because it will foster the kind of development that I have been talking about and I am sure my colleague has been talking about for the last several years.

Mr. Chairman, there are many recommendations that have been made in the Design for Development for northwestern Ontario. I do hope that the minister does make himself aware of those recommendations and, indeed, the comments made by the Northwestern Ontario Development Council, dealing with specific recommendations that are contained in the Design for Development. They think that these recommendations should be given top priority. I am sure the minister does have a copy of the submission made by the Northwestern Ontario Development Council and I am not going to bore the House with reciting those. But I do hope that if he has not read them, that he will take advantage of the opportunity of reading them and taking action on those recommendations.

I do think, getting back to the need for a special loan fund to existing tourist establishments in the province, that there should be some provision made for establishing new ones. I understand that the terms of reference, as outlined by the Minister of Trade and Development (Mr. Grossman) in a recent

announcement said that a \$1 million tourist loan fund to increase financial assistance to the tourist industry is a two-part programme. Performance loans will be provided for tourist attractions, such as ski hills, snowmobile trails and such facilities which attract tourists in the off-season. Applicants for loans must demonstrate that the project is viable and will be of benefit to the area.

I do notice that the maximum amount of the loan has been increased from \$50,000 to \$75,000. But, surely, the minister must appreciate that with a maximum of \$1 million available to the entire tourist industry that generates just something under \$2 billion of new wealth each year, this is just peanuts. I made the same observation last year. I am sure that a good many members in this House, and surely most people in the tourist industry, would agree that it is a picayune amount and does not nearly fill the bill.

I do hope that the minister will prevail upon his colleagues to make considerably more funds available for assistance to the tourist industry. I really feel that this fund should be handled directly by this department instead of being hived off into The Department of Trade and Development. I think the minister has the time and he has the people on his staff to know what the requirements are. It would expedite matters considerably if he would do something concrete. The only way it can be done is to have this fund administered by this department, which knows more about what is going on in the tourist industry than the Minister of Trade and Development.

I really do feel, too, that additional sums of money should be made available to local groups in order to promote small but significant tourist attractions in their areas. I can think of one application that was made to The Department of Tourism and Information by the chamber of commerce in Terrace Bay, which had a particularly picturesque gorge just outside of the community that did attract many tourists. It is something that requires a relatively insignificant amount of money in order to make it more attractive and make it more accessible. But, unfortunately, as is the case with many small communities, they just do not have that kind of money and there is really nobody they can turn to. Naturally they turn to The Department of Tourism and Information, only to learn that no funds are available for this kind of thing. I think this minister must impress upon his colleagues the need for a special fund to assist smaller communities to pro-

mote tourist attractions in their area. I can think of Ouimet Canyon, for instance, which has very unique qualities. I am sure the member for Fort William has mentioned it on numerous occasions, even though it is not in his riding; he knows the tremendous potential there is there to attract tourists and to provide the kind of thing they are looking for, whether they be camera bugs or whether they are just looking for something spectacular.

I am sure there are very few people in this House who have seen Ouimet Canyon. I notice it does appear in a good many of the Ontario government publications, but unfortunately in a good many instances they do not identify the scene, and people really do not know that we have such a spectacular phenomenon right in the Province of Ontario. Because of poor access and poor promotion, I would say that 99 per cent of the people go right by Ouimet Canyon without really knowing it is there. They have got a little fingerboard sign on the side of the road that you are past before you realize it. They are going to spend a little bit of money on the road. Unfortunately, nobody has made a commitment as to whether or not they are going to promote it and give it the kind of attention it deserves. I think it is even more spectacular than a good many of the things that attract people in a good many parts of the province and the country, and I think it is high time it got the attention it certainly merits.

Another area I think the minister has to involve himself in is small museums in a town like Nipigon, which has a lot of historical background. It used to be a part of the voyageurs' route. It is the site of one of the first Hudson's Bay posts. I know a small group there that has been gathering artifacts and historical data on this area for two or three years now. Unfortunately there is no agency of government that has so far come to the group's assistance. I think we are missing a good many bets because there is no government agency that is willing to come forward and assist these public-spirited citizens who are trying to promote the tourist industry and to highlight the great historical significance that their certain areas have.

I think there is a wonderful opportunity for this department to assist native groups in establishing cultural outlets for our first citizens. There is a group in Thunder Bay at the present time that is working very diligently to preserve the culture and the historical significance of our first citizens. It is a very

worthwhile project, and I think I wrote the minister on it just recently. I do hope that in conjunction with his colleague, the Provincial Secretary and Minister of Citizenship, he will give it the kind of attention and support it deserves.

I think the minister should also involve himself much more closely in assisting tourist regions. I can think of an incident that happened through the past winter when a tourist group from the Geraldton area banded together and made representations to The Department of Highways for the location of a sign on Highway 17 to bring to the attention of the motorists travelling along the many tourist attractions—whether they be hunting, fishing or just a place to stop and look at the unusual flora and fauna—that we have up along Highway 11. When The Department of Highways was approached to locate a sign at the junction to indicate to the travelling public that if they took Highway 11, all of these very interesting things were available to recreationally minded people, unfortunately, because of some archaic, antiquated and useless policy of The Department of Highways, they said that they only had so many sign locations per mile or something of that nature; that it was impossible to locate a sign extolling the virtues of the Geraldton tourist area.

Unfortunately, they had to go back about 10 miles past the junction in order to put a sign up. From the time people saw the sign until they got to the junction, they had forgotten all about it and they were miles by and still looking for the Geraldton tourist area.

I really do feel that the minister and his department should assist these people and bring it to the attention of The Department of Transportation and Communications and other government agencies who inadvertently discourage people who are trying to make a living in the tourist industry and trying to bring much needed dollars to their area. Because of the fact that The Department of Transportation and Communications, as I say, has a policy that does prevent people from putting a sign up, unfortunately, they lose many, many tourists who never get to see, say, the Beardmore, the Geraldton, the Jellicoe and the Longlac area.

They are by and they are on their way down to Sault Ste. Marie without even knowing where this huge area is. I hope that the minister will take that up with his colleague, the newly appointed Minister of Transporta-

tion and Communications to assist these people in that particular way.

I do hope too, Mr. Chairman, that the minister will involve himself in a much closer liaison with his colleagues, and I am speaking specifically of his colleague, the Minister of Lands and Forests (Mr. Brunelle). While we do know that the propagation of fish, reproduction of fish, and the protection of our wildlife are the responsibility of the Minister of Lands and Forests, somehow I get the feeling that this minister, in this department, loses sight of the fact that we do not have a resource that is inexhaustible. If we do not do something about the replenishing of fish and the protection of our fish and wildlife—it is an aspect of the tourist industry that is so very, very important.

I do not think that you, as the Minister of Tourism and Information, can leave this wholly and solely to your colleague, the Minister of Lands and Forests. I think that a good many of the tourist dollars are as a result of our relatively clean environment attracting people to our province.

Sure, we have places down along the "golden horseshoe" here which, I suppose, are just as bad as any other industrially oriented place on the face of the earth. But by and large, this province is relatively free of pollution. It is that way more by accident than by design. There are a good many areas even in northwestern Ontario where the recreational potential is going to be severely encumbered. If you do not impress upon your colleague, the Minister of Energy and Resources Management (Mr. Kerr), the need for a cleanup—particularly close to mining activities; close to pulp and paper activities and a good many of the industries that are opening up. Sure, they are under fairly close scrutiny, but there are still a lot of them that are allowed to despoil our environment.

I think that this minister knows as well as any of us in this House that this is not the kind of thing that fosters the enjoyment that people get out of a recreational and a wilderness experience. Of course, if we allow it to go on unchecked, our tourist industry is down the drain also.

I think my friend from Perth suggested that this department should be phased out and certain aspects of his department should be hived off into one or another of several departments. I do not share that opinion with my friend.

I think that this minister in this department has a very, very important role to play. I

think that the nature of this department is such that they can stand back and have an overview of what is going on in the province as it affects the tourist industry. They are in a position to look at it much more objectively than either of his colleagues. I know that his colleague, the Minister of Lands and Forests has a responsibility for protecting the environment, but he also has a responsibility for seeing that we make maximum use of our forest resources; so he is sort of torn between two devils and I do not think that he can look upon all of these things as objectively as he might otherwise be able to, in the same way that the Minister of Mines cannot always look at it with the same degree of objectivity as you are able to.

So I think that you have a doubly important responsibility to bring to their attention the need for making sure that in the operation of their department, and in the usage of renewable and non-renewable resources you can say, "Wait a minute, Rene," or "Wait a minute, Leo, I do not think you should be doing it that way."

I think that we have something equally as important here that must be preserved if we are going to enjoy the good things in life, and I really think that this minister and this department has a much greater responsibility to the people of this province than they have ever recognized before. I think that the minister should busy himself with the number of fish that are being planted, say in some of the good fisheries like Lake Superior, like Lake Nipigon, like Lake Simcoe, Lake Erie, how to rehabilitate them.

I think that this minister should really concern himself with these aspects of the tourist industry. A good many of the tourist dollars that are attracted to this province are because people like to fish. It is a place that people come to and normally expect to catch fish, and if the Minister of Lands and Forests is not able to stand up before his colleagues and say, "I need \$20 million or \$25 million dollars for fish and wildlife activities within my department," you should be standing up and assisting him, and saying, "Let us speak with a united voice and let us put the dollars where they really count."

All you would have to do is look and see what is going on on the south side of Lake Superior and Lake Michigan, where, as opposed to the 250,000 fish that we are planting in Lake Superior at the present time, they are planting three million; they are planting two million in Lake Michigan.

And I could read information which was just sent to me in the past week—

Mr. B. Gilbertson (Algoma): That is our big brother over there who is helping us.

Mr. Stokes: —one from the Washburn Times of Wisconsin, another one—it is a photocopy—from the Michigan Natural Resources, the official magazine of the State of Michigan, where it demonstrates the kind of regeneration that is going on in the lakes on the south side. I think we can learn a lot from them.

I have had correspondence with the Minister of Lands and Forests about the action that he should be taking to preserve that great fishery in Lake Nipigon. He gave me a lot of pious platitudes. But I think I should be enlisting your aid so that you can go to the the Minister of Lands and Forests saying, "For every fish that you plant in one of these lakes we can prove to you that there is a huge economic return to the province and to the people of Ontario by making sure that we get the kind of things that will attract people who are looking for the things we have here."

So I think this minister does have a very important role to play, even though the primary responsibility for these things rests with the other department. I think if this minister is really going to be effective and if he is going to assure the people of this province that we will continue to get increased benefits from the tourist industry, he is going to have to busy himself with what is going on in other agencies and other departments of this government and translate a lot of these studies that they have engaged themselves in into something much more plausible and much more effective than anything that has occurred up to this time.

I just have a couple more things which I would like to refer to, Mr. Chairman. I do hope that the minister will take the opportunity in his reply to answer just two brief questions that I do have. If he does, it will shorten the time that we will be taking on these entire estimates.

The first question I would like to ask the minister, in addition to what I have already asked, is why the marked increases in the staff of his department? In looking over the annual report I do not see any additional activities that have been taken on by this department, yet I notice from the year 1969 until March 31, 1971, the number of employees in this department has increased

from 338 to 412. I am wondering why this large increase. What are these people doing and what are the tangible results from the increase in personnel?

I also would like to find out from the minister how much, if anything, the company of James Lovick Limited is getting this year from advertising contracts which they have with this department. I understand in the 1968-1969 fiscal year their contracts amounted to \$1,272,713—

Mr. V. M. Singer (Downsview): They are not the same firm that does the political advertising.

Mr. Stokes: Oh, they could very well be.

Mr. Singer: Are they?

Mr. Stokes: And in 1969-1970 the amount of money that was paid to that advertising agency was \$1,478,165, which I think anybody would agree is a pretty big sum of money. I think maybe it is the same firm that handled the account for the Conservative Party of Ontario.

Mr. Singer: I cannot believe that.

Mr. P. J. Yakubuski (Renfrew South): Are we not advertising this great province?

Mr. Singer: What a coincidence!

Mr. Stokes: In 1969 and 1970 I think Camp Associates—you know, our good friend Dalton—got \$70,056 in advertising contracts from this government and I would just like the minister to answer those questions for me.

Before sitting down, I am going to ask the minister—I think he mentioned in his opening remarks that over four million pieces of literature were distributed last year. In a trip out to Manitoba about 10 months ago I happened to be passing through the city of Brandon and I—

Mr. Yakubuski: Oh, oh, now just what would the hon. member be doing in Brandon at that time?

Mr. Stokes: —I stopped at a tourist information centre just to find out to what extent all of the virtues—all of the things we think so highly of in the Province of Ontario—were made known to people elsewhere. I found out that in this particular booth—and let us face it, Brandon is one of the major communities in that province—there was a scarcity of information with regard to all

of the tourist attractions and the recreational potential of the Province of Ontario.

I am just wondering if this is general all over, because there is one place in my riding, at Jellicoe in particular, where a person found it very difficult to get the amount of information that he needed on what was being asked by the travelling public. In going over the publications I found out that for every one that was available through the Province of Ontario, there were about two or three made available from the federal government, from the national parks branch.

I am just wondering if this is prevalent all over or if this was just an unusual situation. Maybe there was a breakdown in communications or something of that nature. I hope, in fact, that was the case.

I too share the apprehension expressed by my friend from Perth in the priorities placed on various aspects of spending by this government.

I have not had the opportunity to go down to Ontario Place yet, I have been busy with other things. I do hope to go. I understand you have an excellent film there, "North of Superior." I am going to take advantage of the first opportunity to go there, but I am just wondering why it was necessary to spend \$25 million on a facility which obviously is not going to pay off in like sums.

I do appreciate that a good many of the people from Toronto will—

Mr. Yakubuski: Did you disapprove of Expo in 1967?

Mr. Stokes: —take advantage of the opportunity of seeing the things that are there. I do think, though, that it is an awful lot of money to have spent on something that somebody will go and see once, and unless there is a change in film every six months or a year, or something, people are going to forget about it. I do not think that people will necessarily go down there to try one of the 18 restaurants. I think, as my colleague said, that this money could have been put to much better use by spending it elsewhere. I feel very strongly, representing a northern riding, that this particular city—because it is the capital city of this province, and because, I suppose, there are a lot more people living here—fits the old adage of the wheel that squeals the loudest getting the most grease. Well, I am here to squeal on behalf of the north and other areas of the province where we have been neglected.

I think that if you have this kind of money to spend on such showpieces, you should spread it around a little bit. I am not suggesting you should put it all up along the north shore of Lake Superior, an area that I happen to represent. I do not think we can justify that kind of money, but I think you could have cut the \$25 million or \$26 million in half. You could have put some of it in Ottawa, you could have put some of it in London, some of it in Windsor; you are putting a little bit of it in the city of Thunder Bay, but I think you should spread it around the province, and then people, all of the people of this great province will benefit from that kind of expenditure, in a recreation or a tourist way.

I do hope that the minister will reply to the remarks that I have made; I hope that he will take any criticisms that I have made as being constructive. I have tried to put them in a constructive and a positive way, as opposed to a negative way. I wish the minister well in his new portfolio and I hope that from this side of the House we will get the kind of co-operation I think he is capable of giving us, and I wish him well. Thank you.

Mr. Chairman: The hon. minister.

Hon. F. Guindon (Minister of Tourism and Information): Mr. Chairman, I should like to make very brief remarks before going into the examination of our estimates vote by vote.

First of all, I would like to thank my two critics from the two parties opposite. In their remarks, I think they tried to raise some valid points although I may not perhaps always agree with them. I was pleased to hear the hon. member for Perth mention the fact that I did go into his own area on March 2 in Stratford to make a presentation to the regional tourist council. What he has forgotten to say is that March 2 was the next day after my appointment as Minister of Tourism and Information, and I did not want to miss this opportunity, the very first day after my appointment, to meet with the great people of the land between the lakes.

As he said, I did go back again lately for the opening of the Stratford Festival which, in my opinion, was a very delightful evening and I wanted to see for myself the great tourist attraction that the Stratford Festival is for the Province of Ontario.

I also noticed that he had read an article which appeared, I believe, in the *Globe* and

Mail, where they used a four-letter word against the new minister at the time.

Mr. M. Gaunt (Huron-Bruce): Five.

Mr. H. Edighoffer (Perth): Five, five.

Mr. Singer: Fuddle-duddle.

Hon. Mr. Guindon: Five is it? Oh, a five-letter word. Yes, well I remember seeing this as well, and as you know, any minister of any department has to have a great sense of humour. Remember the time the people took offence about my remarks at Thunder Bay concerning historic sites? The point that I was making in Thunder Bay was exactly that historic sites in a downtown area do not seem to appeal to tourists. That was the reason why we did have some differences of opinion about the original site at Thunder Bay which, for one thing, was unavailable, we could not get, and the new site that we had in mind for Fort William.

The remarks as made on that occasion were very simple. I just said I compared how Upper Canada Village, for instance, could attract over three million visitors in the summer months, and other historic sites in the province which are far from large centres do exceptionally well in attracting tourists. That is how, I suppose, the manager of Fort York—although I did not want to diminish the importance of Fort York; I just wanted to stretch the point that historic attractions and historic sites in a downtown area are not the best for attracting people.

Many remarks have been made by the hon. member for Perth. I hope that I do not forget the main remarks he has made, but I was really surprised that the hon. member would ask for the department to be disbanded or to do away with The Department of Tourism and Information—

Mr. Singer: Why was the minister so surprised?

Hon. Mr. Guindon:—which, over the years as we know, has brought here in Ontario over—

Mr. Gaunt: Do not worry. The minister is going to look after the hon. member.

Hon. Mr. Guindon:—over 75 per cent of all tourists coming into Canada, coming to Ontario; and 55 per cent of all revenue in tourist dollars are left in the Province of Ontario. I know for a fact that this department has, over the years, done exceptionally well and we are always pleased to see an

increase in the number of tourists visiting our province.

Both hon. members mentioned, of course, the incentive programmes to tourist resort operators. As you will recall, a year ago the terms of reference were perhaps so restrictive that we did not receive as many applications as we had anticipated but the base has now been broadened. We have more applications and, I think, it is quite right to think that in the near future—and already as a matter of fact, we get more applications, and more will be processed.

As far as the separation of this branch with The Department of Trade and Development is concerned, I must tell the hon. member for Thunder Bay that really, we are not geared for it. We do not have the expertise. We do not have the people to study and to be able to make an assessment as to the validity of the applications for loans. That is one of the reasons why all applications are being processed by The Department of Trade and Development.

Mr. Stokes: My experience and the experience of the tourist operators has been that neither does The Department of Trade and Development.

Hon. Mr. Guindon: Mr. Chairman, I can tell the hon. member I know of a number of loans which have been approved lately for people on the Winnipeg River, who I think were greatly in need, and I know that these have been approved in the last two or three weeks.

Now, insofar as having a closer liaison with the Minister of Lands and Forests, I can assure the hon. member that we always had a very close relationship and liaison over the years, and we do make recommendations to the department in the sense that you have mentioned here tonight. We are interested in the promotion of tourism, fishing and hunting, in our great out-of-doors, and we do make representations to his department and to the minister himself on many occasions. Both hon. members have criticized our research branch, and there again I was very surprised that they would attack or criticize a branch which has done so much for our department. We know of no jurisdiction, not only in Canada, but in North America, as a matter of fact, where a research branch is utilized and is as useful as the one that we have in our department.

Mr. Stokes: So important you have even decreased the amount of money for research.

Hon. Mr. Guindon: We have a number of studies, as was mentioned earlier, and I understand the hon. member for Thunder Bay would like to see all the recommendations implemented the next day. Some of the studies have been going on for some time; they will be going on for some years in fact, because we certainly want to know exactly what is going to happen in the 1980s and we have to be prepared for it right now. We only spend two per cent of our budget on research, which we believe is a much lower percentage than most industries would devote. For those who are not familiar, we even do some assessment, for instance, in our purchases of advertising in the American market, we do some pre-auditing and post-auditing. In other words, we do as a businessman should do. We know ahead of time where we should best spend our dollars, which market will give us the most returns for our investment; it is not a hit-and-miss—

Mr. Singer: Does James Lovick tell you about that? You gave them \$2 million.

Hon. Mr. Guindon: Exactly. That is why we have the studies. We want to know exactly how much they do give us in returns in advertising.

Mr. Sargent: Come on. It is the job of the agency to give you that. You do not research that.

Hon. Mr. Guindon: Now, the hon. member for Thunder Bay has asked me two questions. One was about the increase in personnel over the last year. The answer is very simple. These were casuals who were working for the St. Lawrence Parks Commission, and after a certain number of months—I guess if they work more than nine months a year—they have to become permanent; that is the reason for the increase in personnel.

With reference to the inference made by the hon. member concerning James Lovick, I would like to tell him that I have no knowledge of what he was referring to and never heard about this. I did meet with him, as we do every year, to assess our relations with the agency, always having in the back of our mind the possibility of changing the agency if we can get a better bargain; of this I can assure the hon. members. The contract for 1971-1972 was set at \$1,540,000, which is roughly \$70,000 more than the previous year.

As for his final remarks concerning Ontario Place, well, these are his views, and the only comment I can make here is that Ontario

Place does not come under Tourism and Information of course; it comes under Trade and Development. But again, perhaps once the hon. member has had the opportunity to visit Ontario Place, he will find out the tourist promotion that is being done to try to advertise all parts of Ontario—northwestern Ontario, the Niagara Parks Commission, St. Lawrence Parks Commission, Ste.-Marie-among-the-Hurons. I think people all over the province will find that there are benefits to be derived for all the taxpayers of this province.

Mr. Sargent: Mr. Chairman—

Mr. Chairman: Just a moment, please, until the minister takes his place.

The member for Grey-Bruce on vote 2101. We will do this as a unit rather than breaking it down into items.

On vote 2101:

Mr. Sargent: Mr. Chairman, in this budget we are talking about roughly \$13 million. It is kind of a paltry sum; the Minister of Trade and Development forgets about that much in an afternoon. As my colleague from Perth said, it is kind of a junior portfolio. I think the minister is of senior calibre, but in my mind he has got to pick up a lot of odds and ends and try to bring this into focus. My concern about this, Mr. Chairman, is the fact that we have a \$1-million loan fund set up in this department, and in essence the most you can lend is about \$25,000 on a loan in that loan fund.

Hon. Mr. Guindon: I think the maximum is \$75,000.

Mr. Sargent: How much?

Hon. Mr. Guindon: It is \$75,000.

Mr. Sargent: That would represent possibly 12 loans across Ontario a year, right? It shows the completely idiotic approach of the department in this regard. If you are going to do a job, how in hell can you do anything with 12 loans across Ontario?

Hon. Mr. Guindon: Well, you are talking about 12 maximum loans, but many of the loans are running in the neighborhood of \$20,000 and \$25,000.

Mr. Sargent: How many loans did you make then last year?

Mr. Stokes: Two.

Mr. Sargent: I am not critical of you, Mr. Minister. I think you have inherited here. But how many loans did you make last year?

Hon. Mr. Guindon: All the loans are processed through ODC so I do not know how many—around 12.

Mr. Sargent: You made 12 loans, totalling how much money?

Hon. Mr. Guindon: Pardon?

Mr. Sargent: Totalling how much money?

Hon. Mr. Guindon: How much money? Well over a quarter of a million.

Mr. Sargent: Is that not simply hard to believe?

Mr. W. G. Pitman (Peterborough): Lake Simcoe could probably use that.

Hon. A. Grossman (Minister of Trade and Development): Just handing out money freely.

Mr. Pitman: A quarter of a million.

Mr. Sargent: So, would you tell me then how much of a staff you had and employed in loaning out this amount of money?

Hon. Mr. Guindon: No staff at all.

Mr. Sargent: No staff at all. So a million dollars to give away and you loan out a quarter of it. Now, how much money are you going to loan this year?

Mr. Pitman: One million.

Hon. Mr. Guindon: It all depends. As you know, all these loans, as I have said earlier in my remarks, are processed by ODC—the applications come through our department—

Mr. Pitman: That is what is wrong with it.

Hon. Mr. Guindon: Oh, no. We contact ODC and they have the people, the expertise, to process these loans.

Hon. Mr. Grossman: We get recommendations from the Minister of Tourism.

Hon. Mr. Guindon: That is right.

Mr. Pitman: A fine fellow.

Hon. Mr. Grossman: Nothing wrong with that.

Hon. Mr. Guindon: I tell you—one of the reasons—

Interjections by hon. members.

Hon. Mr. Guindon: As I pointed out, the terms of reference were perhaps restrictive at first. It was a new field. These terms of reference are being expanded, as you know, as of this year and perhaps more so in the future.

Mr. Sargent: I would submit then—are you going to carry it forward, in the last two years, the money is not loaned—you are going to have another, you are going to have \$3 million to loan this year or \$2 million to loan this year?

Hon. Mr. Guindon: No, we cannot carry it forward.

Mr. Sargent: So a million dollars is the maximum you will loan this year?

Hon. Mr. Guindon: Well, it all depends on every case—

Mr. Sargent: Now, come on. You are the boss. Do you know or do you not? Are you going to loan the money?

Hon. Mr. Guindon: I do not have the money in my budget in the first place.

Mr. Sargent: How much have you got in your budget?

Hon. Mr. Guindon: We have a million dollars set aside, as it was for last year, but they are all processed through ODC. That is as much as I can tell you.

Mr. Sargent: Well, Mr. Minister, do you have a million dollars at the moment?

Mr. Stokes: No, he does not.

Hon. Mr. Grossman: It comes through my department.

Mr. Sargent: It is in his budget.

Hon. Mr. Guindon: We make recommendations to ODC.

Mr. Sargent: Up to \$1 million.

An hon. member: We have no money, no.

Mr. Sargent: Again, this is the minister I talking to, not you. I am talking to the minister of that department. It is a matter of interest—I think the member for Thunder Bay brought up the fact that we have Lovick in here for a million and a half, and the agency,

and regardless of what you talk about research, that is the job of the agency to feed back to you the best way to spend your money. And if they are not telling you where to spend your money properly, then they should not be getting their 15 and two per cent. If they do, it is outright theft, that is all, but the very fact is, in the advertising circles—I am aware of what goes on. Dalton Camp—their listing, in the accounts they have—they have one account. MacLarens have maybe 125 or 140 accounts; every agency has multiple accounts from, say, 50 accounts up. The only account that Dalton Camp has is the Province of Ontario tourism account, and so I would say to you, sir, it is a glaring piece of manipulation when this department gives a \$70,000 expenditure to Dalton Camp. Now, I do not know whether it was for the placement of advertising or media or what it was, but was it for a study—the \$70,000, what was it for?

Hon. Mr. Guindon: Oh, no. This is advertising for the St. Lawrence Parks Commission.

Mr. Sargent: All right, so he has a standing account then—that is the only account that he has. Now, what does he—if you work on a 15-and-two out of the \$70,000, what does he get?

Hon. Mr. Guindon: He gets \$70,000.

Mr. Sargent: He gets \$70,000?

Hon. Mr. Guindon: It is the agency that spends it in advertising for the St. Lawrence Parks Commission.

Mr. Sargent: Then he spends \$70,000 and he gets his commission on that?

An hon. member: Probably, yes.

Mr. Sargent: In other words, he has got a standing deal with you. He makes \$12,000 a year and it is almost fraud in the fact that he should be listed as an agency, only he is not. It is the only account he has and I think if, in the advertising circles, if this thing were looked into, you would be guilty of a conspiracy because of the fact the man is a fraud and he is not—it is the only account he has. So you are paying a man, in effect, \$12,000 because he is Dalton Camp. Now in my book—

Hon. Mr. Guindon: Not at all: I mean he is—

Mr. Sargent: What other account does he have then?

Hon. Mr. Guindon: His account has been reduced over the years. It used to be more than that and—

Mr. Sargent: I know it is a lot more than that.

Hon. Mr. Guindon: The parks commission this year figured about \$70,000.

Mr. Sargent: I know the point the minister is trying to make.

Hon. Mr. Guindon: Yes.

Mr. Sargent: This not your fault that you inherited the thing but the fact is, in the parlance of advertising, this is corruption. A man has only one account, he is not in the advertising business per se. But you are feeding him this money—if he can drag down his 15-and-two off—and this is wrong, believe me it is very wrong. And if we were in power nothing would happen in our party that would be in line with that kind of thinking. That is corruption.

Hon. Mr. Guindon: Well you are talking about a man, but you know, let us face it, we are talking about a company.

Mr. Sargent: I agree—you know, I am talking about the nice kind of ad.

Mr. Chairman: I might point out that promotion services are under 2102.

Mr. Sargent: Well, this is kind of—

Interjections by hon. members.

Mr. Sargent: But the thing is that—

Mr. Chairman: This has to do with promotion services; that is 2102.

Mr. Sargent: Well, this is under general services.

Mr. Chairman: Yes, but if it is more appropriate under the individual vote it should be kept for that vote. You can then go into details.

Mr. Sargent: Well, my opinion is that it comes under this vote, does it not—what we are talking about?

Mr. Chairman: Well, you are talking about promotion services I believe. It is really 2101.

Mr. Sargent: Okay.

Mr. Chairman: This is where advertising comes in generally.

The hon. member for Peterborough.

Mr. Pitman: Mr. Chairman, I would like to take up this whole question of policy. We are talking about really very little money here. When we talk about tourism we take away the historic, archaeological sites board, we take away the Centennial Centre, and you end up with something less than \$10 million—is that not right?—for tourism; the whole area of tourism involving the livelihood of thousands of people in this province, of hundreds of thousands of people who are travelling—and that expenditure is less than what it would cost the Ontario government for one building up on Bloor Street, the Ontario Institute for Studies in Education.

Now there seems to be some real distortion of values and—

Mr. Singer: They get janitorial service.

Mr. Pitman: They get janitorial services for that \$10 million, I realize it. I suggest that the minister get some janitorial services for his department out of that nine-point-something million dollars too.

But there is something really weird about the priorities of this government. Ontario Place was mentioned. Historians are going to look at us and are really going to smile when they think that we spent \$23 million on Ontario Place and we could have bought the entire Niagara Escarpment for \$5 million less when Mr. Gertler made his report. And here we are building an Island in Toronto harbour to put up Ontario Place while we are allowing the most important geographic item in our entire land inventory of Ontario to disappear.

I just put this before the minister in terms of priority. And just look at \$1 million that the Minister of Trade and Development allows the tourists of Ontario to take out of his pot. On the basis of the 1968 statistics it was estimated that the United States and foreign travellers were spending \$550 million on travel in Ontario. Canadians outside of Ontario were spending \$252 million and Ontario residents themselves were spending \$850 million.

The total tourist expenditure in 1960 I think—I am using a report which, I think, was made in the minister's own department—was estimated at \$3.2 billion. It was assumed that 30 per cent of this was taxed by all levels of government. Therefore, Ontario itself would receive some \$250 million in taxes as

a result of tourism, and out of that \$250 million one-quarter of a lousy million dollars was backed for tourist industry. Now what kind of priorities, what kind of judgement is there in a government which will allow the tourist industry to go down the drain in that way?

I am impressed by the minister's department in relation to its promotion. I go to bed every night you know with Ontario-ari-o ringing in my ears. It is a lovely song. In fact the government is trying to get re-elected on that song, but nonetheless it is delightful. But the point is that in terms of what the realities of tourism are in Ontario it is a lot of gloss and very little reality.

There is no plan for tourism. There is no overall direction. There is no concept. I enjoyed the minister's comments that he is going to redirect the interests of his department, at least to emphasize Ontario citizens going into Ontario, to spend their money out in the countryside of Ontario. Fine! We would hope that it is more than just a tourist policy but a recreation policy; that we might be thinking in terms of not just how to get money out of Ontario citizens out in the countryside, or even American money out in the countryside, but how we can develop people's lives, make their lives a little bit more decent and humane, give them a little bit of what Ontario is all about out there.

And I suggest there is no plan for this at all. I suggest too, in the very most respectful sense, the minister should realize that that the only reason his fellow minister gave away only \$250,000 was because the terms were so restrictive hardly anybody could enter under it. So there were 12 loans given right across Ontario. It is a monstrous hoax.

Mr. Sargent: Find out who got the money. The department should have a listing of who got the money.

Mr. Pitman: I will leave it to the member for Grey-Bruce to go into that. I want to develop this thing in terms of a total programme which I would like to see take place under this minister. This minister has taken over this portfolio. He is stuck with a portfolio which has got virtually no money. His colleagues, apparently, in the past have been virtually unwilling to give the tourist industry the time of day in cabinet meetings.

I doubt whether 10 minutes a year is spent either in cabinet meetings or before the Treasury Board or anywhere else where the real subject of tourism is discussed. And yet you have got operators out in Ontario who

spend their lives trying to make it a success and not mom-and-pop industries, as the former Minister of Trade and Development used to say. I hope the present minister does not give us that song-and-dance routine any more about these mom-and-pop industries that he disparagingly referred to, which wanted to get money out of the government so they could carry on. Sure they did. But they were trying to do something in the countryside of Ontario and, maybe, they made a success of it. Now the game is really changing because with the development of the Toronto-centred region plan, I wonder what this minister is going to do now.

He really is in a game which is far more important than justifiably enticing United States tourists into Canada, or enticing urban Ontario into rural Ontario. He is involved with the recreation of the whole Toronto-centred area, the whole Hamilton-Toronto area, that whole "golden horseshoe" where there is going to be something like 55 per cent of the total population of this province.

When the estimates of the Minister of Lands and Forests, who happens to be coming in now, were up, I was trying to discover what they were going to do about recreation in the third tier without calling it a recreation zone. They have got 90 acres of land in the second zone, but there is no plan whatsoever for that third zone, as far as I can make out. What is this minister's plan?

To what extent did this minister, did this department, have something to say about the Toronto-centred region in terms of recreation? After all, the Toronto-centred region may have something to do with economics. It may have something to do with industry. It may have something to do with all these things, in gathering these people, all these millions of people, around the edge of Lake Ontario.

It also has got something to do with the quality of life, and one of the most important aspects is how are you going to get out of this region. How to get into that recreation area. What kind of policy is this department going to have in terms of providing recreation lands in that area? As far as we know, there is no policy whatsoever.

What is this minister saying about, for example, how a municipality or a group of municipalities which are designated as being in a recreation area, are going to be able to pay the municipal taxes? To what extent is this minister concerned about the redesignation of industrial-commercial taxes throughout the entire province, so that tourism, in a

sense, can be the main industry in an area, pay its tax, and be able to be full, honest citizens in a municipality?

Many municipalities take the attitude that anybody who is involved in tourism has to be carried. We have to build roads. We have to send buses out to get their kids. It is a pain in the neck. They are not only operating for six months of the year or three months a year.

They just have no real interest, many municipalities, in the tourist businesses, because they do not provide the kind of hard revenues which secondary industry will provide, or commerce down the main street. What I am asking is what is this department doing in terms of determining how your tourist community can possibly survive in the kind of assessment squeeze they are in as a result of the policies of your fellow ministers?

What about a public land policy? I suppose this minister, as well as the Minister of Lands and Forests, has the Trent-Severn study report? What is going to happen there? Are you going to co-operate with the federal government and start acquiring these lands? Is it going to come under the Minister of Lands and Forests' department? Are we going to have a separate authority?

What is the minister's policy in regard to something like this which is extremely important in terms of people in that area? It is extremely important to the people in the entire province; in the whole area of the Toronto-centred section.

What about grants and loans? How is it that we have got performance loans, that we used to call EIO loans, which were forgivable loans? Has it ever been thought that forgivable loans might be irrelevant when you are trying to develop the tourist industry, certainly in parts of northern Ontario where they face tremendous odds in terms of developing a successful industry?

What about a transportation policy? The whole tourist industry today is based on the motor car, and here is this government which has now made a historic decision. The motor car is no longer going to be the dominant feature of policy, so far as the government of Ontario is concerned. We are not going to build expressways in the city but are we going to continue to build highways into northern Ontario? Is that the only way we are going to get people there, or into eastern Ontario?

What kind of policy has this department got? What kind of policy is this minister pushing in cabinet? It is rather interesting, you know. I had a friend of mine who visited the tourist industry in the Kawarthas. Before he visited that industry, that tourist accommodation, he went to Malton Airport and took his wife there. She was flying to Vancouver.

You know, she was in Vancouver by the time he got across 401, up 115. Now is it not time that we started developing—

Hon. Mr. Guindon: Did he have a flat tire?

Mr. Singer: They do not believe in automobiles.

Mr. Simonett: Do you want highways?

Mr. Pitman: We believe in public transport. That is the point. There is no public transport emphasis in tourism. It is all based on the automobile.

Is the minister making representation to his friend, the Minister of Transportation and Communications (Mr. MacNaughton), to conceive of a total transportation policy, not just moving people day by day, but moving people in terms of recreation in this province? Are we going to get more trains going out into these areas and buses going into provincial parks? Can we use public transit to move the people out of the Toronto-centred region?

Do we have to depend upon more and more highways and therefore more and more traffic tie-ups, more and more frustration and confusion and expense? Is that the policy of this department?

Mr. Singer: In three months, we will have a committee appointed.

Mr. Pitman: What about the whole question of all-year leisure? One of the gentlemen in my area came to the conclusion—

Mr. J. Renwick (Riverdale): Why does the minister not just resign? The problems are insurmountable.

Mr. Simonett: You are not doing very well in the area of Peterborough.

Mr. Pitman: We are doing very well.

Mr. Simonett: Not very well.

Mr. Pitman: You look after the area farther east. We are doing very well in Peterborough.

Mr. J. Renwick: The member for Frontenac-Addington will not be back next time.

Mr. Pitman: For example, what is the minister really doing about all-year tourism? You see, the tourist industry is caught in this bind. They cannot operate on three months a year, or two months a year. In fact, there are some tourist industries that fill only three weekends a year.

There was a study made in the Kawartha area which indicated that they have occupancy of something like 20 per cent on an all-year basis, yet hotels have to have 80 or 90 per cent. It is very easy for the minister to say that we are developing some kind of a thrust in terms of advertising and so on. I seem to notice that most of his advertising takes place before the summer season. Where is there a real all-year vacationland kind of emphasis?

You are talking about taking people out of Toronto. What do they want? They want warmth. They want to be able to swim. You are going to have to be able to provide a great deal of money, provide indoor swimming pools in the Muskokas and in the Kawarthas, and in the various vacationlands across Ontario. That is the kind of activity that these people want. Yet the niggardly \$1 million that is spread across the province is so totally inadequate that there is no hope whatsoever that the Ontario tourist industry is really going to be able to cope with that kind of situation.

Mr. Sargent: This minister will be resigning with the Minister of Transportation and Communications pretty soon.

Mr. Pitman: I just suggest to the minister that the whole priorities of this department are so minimal because it is such a small, insignificant, totally peripheral kind of department. Unless this minister is going to be aggressive and determined and fight and scratch to find a place in the sun for the tourist operators in this province, they stand without any hope whatsoever. All of his magnificent advertisements, all of his television commercials, and all of his booklets and his shiny, bright pictures are just useless, unless there is a real surge, a real thrust, for tourism across this province. I simply say that I do not see it.

Educational development? To what extent is the minister encouraging—indeed, and not just encouraging, but labelling—the Minister of Education (Mr. Welch) to ensure that there are special courses available to tourist

operators? There has been some minimal activity in some of the colleges of applied arts and technology. But, let us face it. Young people in this province have no concept that tourism is a full-scale activity and industry which demands some attention and some status in this province. Unless this minister is prepared to do something about that kind of attitude, I see no way by which all of his millions of dollars paid to whatever advertising is ever going to have any lasting effect on making a prosperous tourist industry.

If there is any group of people who are the poor citizens in this province, who get the dirty end of the stick, who never really get a decent chance, it is the tourist operators. We will hand out millions of dollars to American corporations, or millions of dollars even to industrialists, but a poor tourist operator gets short shrift indeed.

I cannot agree more with what the member for Thunder Bay has said. For heaven's sake, get it out of the hands of the Ontario Development Corporation. Get your own tourist development corporation under The Department of Tourism. Make it a part of your programme so that loans make some kind of sense in terms of your plan for the development of tourism across Ontario. What can you do, when it is handed out by the Ontario Development Corporation, with no plan, no direction, no emphasis and no thrust? It puts the tourist operator in the position of just going for a handout because he happens to be in Toronto. I suggest to the minister that unless he is prepared to make that kind of a reaction to his new post, I see no way whereby he can make a real impact on this province.

Mr. Chairman: The member for Perth.

Mr. Edighoffer: Mr. Chairman, as my colleague from Grey-Bruce would say, he does not want to flog the issue, but in reference to tourist loans, I just want to impress this point to the members here, that on May 12, 1970, when the loan fund was announced, it was described then—and the wording was as follows:

Details of a \$1-million loan fund for tourist operators were made known today in a joint announcement by Tourism and Information Minister James A. C. Auld and Stanley J. Randall, Minister of Trade and Development.

Now, we come along to March 31, 1971, of this year and we see the announcement made by the Minister of Trade and Development,

who says, "I wish to announce a new programme under the \$1 million tourist loan fund," and so on. So with this type of thing, I think it sounds as though it is taken completely out of the hands of the tourist department. I would like to know how many applications were referred to this department in the last year.

Mr. Stokes: Mr. Chairman, I would like to reinforce some of the comments made by my colleague, the member for Peterborough.

Mr. Sargent: Just a moment! He asked a question; can he have an answer?

Mr. Stokes: He did not ask a question, he made a statement.

Mr. R. F. Ruston (Essex-Kent): Sure he did.

Mr. Sargent: What does the member mean, that he has to reinforce some of his comments? He already made them a half-hour long. Why does he have to reinforce them?

Hon. Mr. Guindon: With regard to the hon. member for Perth, I should like to tell him that many of the applications go direct to ODC, but a number of them come through our department as well.

Mr. Edighoffer: Not all of them are referred to your department.

Hon. Mr. Guindon: They are all referred to our department, yes, and then we get in touch with ODC.

Mr. Chairman: The member for Thunder Bay.

Mr. Stokes: Thank you, Mr. Chairman. I did mention in my opening remarks that there should be a much greater liaison between various other departments and, of course, the minister said that there was ample liaison. He said he was quite satisfied that everything in that regard that could possibly be done was being done. I just refer the minister to the remarks made by Roger Betz, who is president of the Northern Ontario Tourist Outfitters Association, when he says:

We would, of course, find with you that the wilderness available is fast approaching a need for a programme of comprehensive regulations toward a balance of visitor input to acceptable values of development. The role of the visitor, the fly-in or vehicular camper, must be expanded to include an economic responsibility which is justified

if equated in terms of diminishing hunting, fishing, and natural recreational grounds.

Canada last year had a deficit of \$235 million in its tourist balance of payments. Ontario is not keeping pace with the other provinces' yearly gains in visitors.

It could be that our friends in government and people in the south, when talking of progress in tourism, especially tourism in the north, are wrong. There are many operators who have been successful in the tourist industry until the advent of new legislation or social thinking shut the door to their growth. It is very easy to tell someone else how to operate from a distance, and with no investment involved. The people of Ontario stand to lose a substantial part of their tax revenue that the tourists leave, and these moneys can only be made up in increased taxes to themselves.

I would also like to reinforce what my colleague from Peterborough said with regard to this government's preoccupation with the motor car.

I am wondering what representations were made by this government on behalf of the tourist industry and the tourist operators, particularly in northern Ontario, when the Canadian National Railways saw fit to cut off two of their transcontinental trains. I know that there was considerable correspondence with your predecessor on behalf of many tourist operators in the northern part of the province whose establishments were inaccessible by automobile and to which the only access was by train.

I do not know whether the minister has had an opportunity to travel along the north line of the CNR and the main line of the CPR. If he has, he must be aware of a good many of those tourist establishments are only accessible by train. The Canadian Transportation Commission saw fit to allow these major railways to cease operations of some of the trains and it has effectively wiped out the business of a good many of those entrepreneurs along those lines.

I am just wondering what this department has done to assist those people in impressing upon the federal government the absolute need and how essential it is to maintain a viable transportation system to make all areas of importance, particularly those important to the tourist industry, accessible to the travelling public.

I would like to quote further from this article by Roger Betz, the president of NOTOA. It says:

Come into the field and talk to the people in the business. Sad as it may seem, one blanket policy will not cover the industry. Each area has different problems to deal with.

The two situations that would project throughout the north are the concern for our fish and game and the lack of decent transportation by highway, air and railroad. Both these items are directly controlled by the government and what are they doing about them?

I am wondering if the minister is aware of the plight of a good many tourist establishments in the north, that they are going to be driven out of business, if this government, in concert with the federal government, does not make sure that we have a viable transportation system right across this province to take advantage of the recreational potential that we do have in the north but which is inaccessible, because this government and the federal government are allowing a good many of these towns to be phased out of existence.

Hon. Mr. Guindon: Mr. Chairman, I am aware of representations that were made through our Department of Transport, for instance, on behalf of this government. I would like to assure the hon. member as well that I am planning to spend a couple of weeks up north as soon as possible to find out for myself what is really happening.

Mr. Chairman: Does the member for Thunder Bay have anything further?

Mr. Stokes: I have another item on transportation. I do know that some progress has been made. The member for Rainy River (Mr. T. P. Reid) is not here, but I am sure had he been here he would have wished to comment. My point is on the regulations that have been changed to protect some of our air carriers in northwestern Ontario, where they have placed a ban on US carrier flights between Blind River and the Manitoba border. They have restricted them to two stops, one at the border and one directly to a tourist establishment.

I want to refer again, Mr. Chairman, to an article that appears in the News Chronicle of Saturday, May 8. The heading of the article is, "The Northwest Takes Stand over Threats from US." The first paragraph is not significant in that it is not pertinent to this argument, but I would like to read the second for the benefit of this House and to impress upon the minister that we must be firm in

protecting what we have against the encroachment from people elsewhere. It says:

The attack of the US Aeronautics Board on five Canadian charter air services is almost laughable. Last December 17, the Canadian Transport Commission amended the licence of more than 200 US air operators who had been flying across the border with high-paying passengers and roaming northwestern Ontario at will. There had been no possible way of checking their activities with the result that there was eminent danger of irreparable ecological damage and much-diminished wildlife reserves.

Many of our best small lakes were being left in a deplorable state, gasping for air because of garbage. The long overdue new Canadian law simply brought these American flights under some kind of control for the first time for the overall good of the country.

The Canadian operators who fly into the US have faced regulations for a long time which put them at a bad disadvantage. In any case, they normally fly into the US to pick up hunters and fishermen and return them directly to Canada for their recreation. In both of these instances, Canada has taken action which was absolutely necessary if we are going to keep any control at all over our own backyard. If we are ever going to be anything but suppliers of raw material to create jobs in other countries, this is the type of forward thinking that is badly needed, and there should be no giving in because of a few bully threats.

I do hope that this minister, in concert with his colleague, the Minister of Lands and Forests, will take further steps to prevent the abuses that have been perpetrated on our resources in fish and wildlife in the past. I do hope they will cover all of the avenues to make sure that we do get good dollar return for the money that we are spending on fish and wildlife. If anybody comes in from another country, we ought to make doubly sure that, if we are going to sell our resources, we sell them at a price that is commensurate with the value placed on that product in this day and age. I think if we did that, we would have more money for reproduction of our fish and we would be able to manage our resources in such a way that we will be able to have them in perpetuity and on a sustained yield basis.

Mr. Chairman: The hon. member for Grey-Bruce.

Mr. Sargent: Mr. Chairman, this department is kind of like a dog's breakfast. It is a catch-all for everything. It is archives, the Science Centre—

Mr. M. Makarchuk (Brantford): The whole government is an archive.

Mr. Sargent: They have everything, and tourism seems to be a small part of the act here. Theatres, historical, Heritage Foundation, Science Centre—the whole thing is a catch-all for all these different things. They did not know what bag to put them in. I think if we are going to have a meaningful approach to do a job for the tourism industry that the minister should have had a complete working package insofar as a capital loan fund to administer himself is concerned.

It should incorporate the forgiveness feature mentioned by the hon. member for Peterborough. If we can see fit to give untold hundreds of millions in forgiveness loans to American corporations, it would seem to me that those who create the revenue through tourism, one of our biggest industries here, should get some meaningful help in the area of, say, resort liquor licences.

This should be under your department, not under the political arm of Mr. Mackey and the hacks who work with him—the appointed political hacks—who interpret the law like policemen and who harass the people in our resorts. There is untold harassment.

The other day Mr. Mackey phoned me up and he very politely raised hell because I took apart one of his inspectors for harassing our people up there insofar as banquet permits are concerned—for going into one of the largest Catholic churches in the area and cancelling a dance the night before it was to be held because their banquet permit was not properly made out, to the effect that—

Mr. Chairman: I would ask the hon. member to kindly direct his attention to vote 2101—

Mr. Sargent: And away we go.

Mr. Chairman: —which is the departmental administration programme of The Department of Tourism and Information.

Mr. Sargent: I was talking the last time, Mr. Chairman, on policy. The member for Peterborough got up and spoke for half an hour on policy, but I start talking generali-

ties and—boom—“sit down!” You guys get together there. I am talking about my part of the country and harassment for liquor licences as far as the resort areas are concerned. Let us get on track.

What I am trying to say is, if you have a meaningful job to do, Mr. Minister—and I know you would do it if they give you the tools—if you are not trying to clip the people who visit our area, why do you not declare a moratorium on the food tax for two months in the summer? This would be a great boon to our people in the resort areas as far as restaurants are concerned.

The most hazardous occupation in our economy is the restaurant or food business. More of them go broke in that area than anything else. And tourist lodging, the motel business, is a most hazardous area. But they are the first people you whack with a 10 per cent tax—the highest in North American food tax is in Ontario.

So if you are to be meaningful say, “Okay, we will declare a moratorium for two months on the food tax for the visiting public.”

Mr. Simonett: Make our own people pay it the rest of the year.

Mr. Sargent: No. In our city when I was mayor we cut off the parking meters during the summer months for tourism. We wanted the people to have goodwill there. We want them visiting our city.

If you want to do a job for this industry, Mr. Minister, get the tools to do the job and quit this bouncing back and forth to one minister whose hacks deem whether or not a man is the right stripe of political applicant. If he is a Tory he gets the loan. If he is not a Tory he does not get the loan.

Hon. R. Brunelle (Minister of Lands and Forests): No, no.

Hon. W. A. Stewart (Minister of Agriculture and Food): That is not right.

Mr. Sargent: Do not give me that malarkey, fellows! You know it is true, I can prove it, to you.

Mr. Chairman: Order!

Mr. Sargent: It is a matter of record that this happens, so I mean, this money does not belong to you people. It belongs to the people of Ontario. Do you think you have the God-given right to disseminate and to allocate this money to your friends? We are getting damned sick and tired of it.

Hon. C. S. MacNaughton (Minister of Transportation and Communications): Could you assure us that you would not do it?

Mr. Sargent: We might do it. I do not know. I think the old spoils system is working pretty good for you guys. You have had it for 28 years now, and the people are getting fed up with it.

Mr. G. Bukator (Niagara Falls): Do you not want to share the wealth?

Mr. Sargent: And the minister's department is buying ads in Ontario newspapers to say "Visit Ontario." What a lot of nonsense that is! The minister has an advertising budget of \$1.5 million to buy ads, then he has this crazy programme of jingles on the radio—"Is there any place you would rather be?" The minister is conning the people and they are getting on to him now.

But the thing I think I would like to ask the minister to furnish the House is a list of the 12 loans made last year to show who got the loans. I would like to know that to show my charming friends that this happens. The minister knows it happens.

What about the president of the—who is the fellow from North Bay, the top Tory in the north?

Mr. R. S. Smith (Nipissing): In Sudbury.

Mr. Sargent: In Sudbury? They got the big loan. The president of the Tory association got the—

Mr. R. S. Smith: Caswell.

Mr. Sargent: Caswell. Now the fact that he was head of the Tories did not seem to stop him getting that loan.

Mr. G. Ben (Humber): They had to twist his arm.

Mr. Sargent: This is what goes on.

Hon. Mr. Brunelle: He is one of the best tourist operators in the province.

Mr. Sargent: You bet your boots. He has a couple of other big operations and I, a taxpayer in a dry hotel, am supplying the money to him and I do not like it!

Mr. Ben: He has got our money; so how can he lose?

Mr. Sargent: I think it is wrong to pick and choose like that with public funds.

Mr. Minister, I would like to say that if you are going to make resort liquor licences

work—we have only had one issued in our area. As for all the big fanfare last year that they were going to make this thing work for tourism, what a lot of nonsense! Only one licence has been issued in my area, and our area is the greatest playground in the world for the American people.

They go in there with their money and cannot get the basic things they have at home—a chance to have a drink with their meal and to have the things that in every respect is part of our way of life. You people laugh at us for criticizing you, but payday is coming pretty soon and I think you should do something about it.

Mr. Chairman: The member for Niagara Falls.

Mr. Bukator: The member from Owen Sound was wondering why one tourist operator in his area picked up a licence to serve the tourist who travels and wants a drink with his dinner. He had a hotel—I believe he still has a hotel there—and they had a liquor vote. Sixty per cent is the figure that is required to pass; he got 59.5 per cent. That was about three years ago.

Maybe the government could see fit to bend a little—by one-half of one per cent—the investment that this man has in this hotel. Maybe it is because he is a member of Parliament and he had no right, but he is only one of many.

However, getting back to the tourist industry—and I was not going to speak on this subject because I felt that the members in this House are much more knowledgeable than I am on the subject and would take up the allotted time, so I would just sit and listen; that I have done for some years on this particular estimate—but I have a very interesting document set before me. You all have had it, as a matter of fact. It is the Niagara Parks Commission 84th annual report, 1970, and I was reading on page 7 about the increase in traffic over a 10-year period of the cars that stop to view the Falls. Back in 1961—I am going to leave the odd figures off and give it to you in round figures—2.1 million cars stopped to view the Falls, and I understand that there would be 3.8 people, almost four people in each car. I would like the minister to observe the figures, if he will, or at least check them over when he gets Hansard or picks up the annual report of the Niagara Parks Commission.

In 1961, 2.1 million cars stopped to view the Falls; in 1962, 2.3 million; in 1963, 2.7

million; in 1964, 2.8 million; in 1965 it dropped back to 2.7 million; in 1966, three million cars; in 1967, 3.09 million cars; in 1968, 3.2 million; in 1969, 3.3 million, and in 1970, 3.5 million cars stopped in the vicinity of the Falls to see what they have there to offer.

And the Niagara Parks Commission—I am sorry the chairman stepped out—made up a new brochure that you had placed on our desks along with this annual report; it has pictures of all of their activities and all of their points of interest. There were approximately 14 million people who came into the vicinity of Niagara Falls—

Mr. Sargent: In one year?

Mr. Bukator: Yes, in one year. And I am wondering what happened to those people. I am wondering what statistics they would have to indicate to me where they go after they leave the Falls—if they continue on and go into Canada farther and see other parts of the province—I hope they do—or do most of them turn around and go back to the States immediately and spend their money in the States? It would be an interesting statistic if we could put that together. However, the point that I am trying to make is that, if the province would spend a little more money—I guess that is the first time I have ever said that in this Legislature, asking the government to spend rather than save—and try somehow to promote the rest of the province from that point.

You have the customers to work with, or the tourists to work with. They come to that area and I think they should be persuaded to travel through the province. The member for Thunder Bay talked about people going out through the province and into his part of the country. After they come through that port of entry—and that is only one of them; there are many ports where they can come into the country—I do not know why we cannot promote and sell a little more of the same thing.

We have several tourist establishments in Niagara Falls. We had some of the department officials there at one meeting—I remember the minister could not make it—and I was trying to persuade the people at that time to listen to my argument to come to the government to ask them to give us part of the sales tax to promote not only Niagara Falls but the province as a whole. The official, who is within earshot, and I would not mention his name, said in his little speech at the time—Mr. Auld was the minister—"I want you to

know that, if you want to sell your products, you will take your money and do the advertising. Do it on your own; do something for yourself instead of asking the government constantly to spend its money."

I would like to ask this question, where does the government get its money? It must come from the people. Are we not the people? So one has to help the other. I think that we have proved through this report on the Niagara Parks Commission that the people come to that area. Then I think we could promote having them come farther into the province. However, I would say that there would be more than 3.5 million cars. We have one minister here who knows what I am talking about, and that is the Minister of Transport and Communications. To the Minister of Transport and Communications who has this big job to do, I say—I have not stopped him yet. He is still talking. The Minister of Transport and Communication—

Mr. Gaunt: He is communicating; that is why.

Mr. Bukator: The Minister of Transport and Communication could—

Mr. Sargent: He does not seem to bother about all this money being stopped there.

Hon. Mr. Grossman: Transportation and Communication.

Mr. Bukator: That is why he is not listening to me—the Minister of Transportation and Communication.

Mr. Ben: Sure, he has been carried away.

Mr. Bukator: When he came across that bridge from the American side, when he was visiting there not so long ago, and where this same minister made an exceptionally good speech to an international body of politicians.

Mr. K. C. Bolton (Middlesex South): Now he will listen.

Mr. Bukator: The mayor of Buffalo was there, Mayor Sedita, and Mayor Lackey of Niagara Falls, New York, and this minister—thank you, I finally got your attention.

Hon. Mr. MacNaughton: I am listening.

Mr. Bukator: Were you listening? Now when the minister came across that bridge after that wonderful speech in which I thought he did an exceptionally good job of representing the province at that time with an international body with a lot of prominent

people there—I thought this minister excelled himself really—I went to him immediately after and said that he did a good job for us.

When the minister comes across that bridge, the Rainbow Bridge, and wants to pull into the Brock Hotel, does he realize that he cannot turn to the left—and he is on the bridge commission also? I wonder, if we had 3.5 million cars view the Falls, how many hundreds of thousands of cars that cross that bridge, when they cannot turn to the left, find themselves in the canyon that the Minister of Highways in the Liberal government built there? They immediately channel them up through on to the Queen Elizabeth Way and, before you know it, they are out of the city and do not get an opportunity to see the Falls.

Now if you were in the other lane coming from the park, as you would have done from the Refectory after dinner, and decided then at the same entrance or exit from the bridge to turn left, there is a traffic light there with the sign saying "Turn left only on green arrow." At that point could you not open the cut from the bridge saying the same thing? The one light could handle both traffic lanes coming off the bridge. If they want to turn left and go immediately to the Horseshoe Falls instead of getting lost in the rest of the city, would that not be a good area in which to concentrate a little bit? Keep the tourists in our area and let us get the first chance at them and then filter them through the province. I think we lose many. I think they turn around and go back immediately after they see the Falls.

I think our tourist association has done a good job of advertising that particular area, Mr. Minister, but they want more money spent. They are a group of tourist motel owners, sightseeing tour operators and they work very well together. It is not a dog-eat-dog proposition.

I am proud of that group of men who have established this fine association. They meet every month to discuss how best to take advantage of the tourists who come to our area and give them the best service that money can buy.

From time to time you will hear that in the city of Niagara Falls—and many other tourist areas—someone is robbing the travelling public. You have heard that on so many occasions.

You get that right here in the city of Toronto, if you will. If I want a suite of rooms at the Royal York I have to pay for

them. If I want one of the better motel rooms in the city of Niagara Falls, then I must pay for it. There are tourist homes, there are cabins, there are small motels that give a good rate.

There are some people who have been known to overcharge, but that is a very, very small minority. How you are going to govern and control that I do not know, Mr. Minister, but someplace, somehow with your fine organization of capable men you should look into this problem.

But the most important thing is that we do not need any more promotion as far as the city is concerned. Here, I suppose, I could lose a few hundred votes if you put that out of context, because they will come and see the Falls anyhow. The thing is to persuade them to continue on through the province and enjoy all the scenery that we talk about.

We have, in the province, many areas where they can fish and hunt and swim in fairly clean waters. The member for Thunder Bay said that there are certain lakes in the north country that are as clear as crystal.

I say this to you gentlemen. If you want to keep them that way, just keep people away from them and they will stay that way. As soon as people visit any place, they start to pollute. This seems to be the problem we have to wrestle with.

Talking about bringing more boats along Lake Superior, along the shores there—you know what boat owners do to lakes, I need not tell you. They use them for everything they do not want. Naturally the lake is a good place to throw it all. That is why we have pollution.

We need more control over that. We need more control over international waters. We need Niagara Falls and especially the crest of the Niagara Falls and the Niagara River cleaned up. I give the minister credit when he spoke to the mayors of that particular area—and there were many there—when he said that we had a problem, to clean up the Niagara River, the international waters, to work together to become better citizens in the country in which we are fortunate enough to live.

So I say to you, Mr. Minister, that you have many departments of your government to work with. Pollution, yes; should be cleaned up. Lake Erie is a terrible mess and it should be cleaned up. Nobody mentioned it yet, but the Minister of Lands and Forests—it has to do with tourists—who provides the fish—I hope that you can somehow stock these

rivers with fish that are not contaminated with mercury. I do not know how you are going to perform that miracle, but if you do, you are doing a good job.

Mr. Ben: Find the river first.

Mr. Bukator: If I have made any point at all—and I do not think I have. I never do. But if I have made any point at all with you, more money has to be spent at the point of entry at every spot along the international boundary, to send the visitors on into the province and let them enjoy the wealth of nature and the beautiful things that we have in this province. The only way you can do this is with money.

Our tourist establishments are ready to assist you with their knowledge and they have a lot of it. Mr. Minister, among all of the ministers who have been visiting the Falls of late, you are welcome. Come to Niagara Falls, because you are a kindly gentleman and so Tourism and Information is your department.

I want you to know that there are some ministers to whom I do not take too kindly when they come to the Falls. I think they are trying to unseat the member there, and playing politics. I believe that they are trying to unseat the member there, and I do not like that at all.

Mr. Ruston: They will never do it.

Mr. J. E. Bullbrook (Sarnia): Present company excepted?

Mr. Bukator: However, you have a big job on your hands. You have a small amount of money to do it with, but more money should be spent for promotion. We are quite pleased with many of the advertisements that we have, such as the picture on this Niagara Parks report, but I do believe we can do more. We have an association there that would be happy to meet with you at any time, because with what they have in mind—I think many hundreds of hours of knowledge is there—all you have to do is ask them for it. I would like you to come and visit with our people and tell them what can be done to assist them and have them help you. You have a big job to do.

Hon. Mr. Guindon: Mr. Chairman, I certainly would be glad to take up the invitation of the hon. member as soon as possible, and I can assure him I agree that the longer we can keep our American visitors in Ontario at the border points, like Niagara Falls, Sault

Ste. Marie, Cornwall and, of course, many others, the better, as far as we are concerned. But I am looking forward to going to Niagara Falls very soon.

Mr. Sargent: Will you consider that moratorium on the food tax for two months to the travelling public and furnish me with a list of the loans made and who they were made to?

Hon. Mr. Guindon: Well, as to the list the hon. member wants, he will have to apply to The Department of Trade and Development. It is a list of those who got loans from ODC—that is what you want?

Mr. Sargent: The loans made out of the \$1 million fund you had available. You cannot furnish that list?

Hon. Mr. Guindon: No, we do not have that list.

Mr. Sargent: Did they not go through your department?

Hon. Mr. Guindon: Yes, but, as I said earlier, all the loans are made through Trade and Development.

Mr. Sargent: But do you not know who they were?

Hon. Mr. Guindon: We are aware of some, but not all of them.

Mr. Sargent: Well, that is what I want to know.

Hon. Mr. Guindon: If you want a full list, I would have to—

Mr. Sargent: I want a full list. Thank you.

Mr. Chairman: The member for Thunder Bay.

Mr. Stokes: Yes. One brief thing, the minister did not answer my request on behalf of a good many groups and small communities that are trying to promote some interest in developing the tourist industry. I mentioned the Terrace Bay thing, this little gorge. I am not thinking about huge sums of money; in many cases \$2,000 or \$3,000 would assist these people. Even if you would match, dollar for dollar, up to, say, \$5,000 for some little project they have to enhance the possibilities of attracting tourist dollars to their community.

As I say, I am not talking about large sums of money. I am talking in terms of establishing a small museum, say, in the town of Nipi-

gon, or promoting the tourist potential for, say, a gorge at Terrace Bay, or assisting this Indian cultural group in the city of Thunder Bay. Surely, to start off, with even \$100,000 in these estimates you would be surprised at the amount of goodwill and the good feeling that would be created among many people across the province if this department would busy itself with trying to assist these people to promote tourist activities in their area.

The minister neglected to mention it, and I think this is about the only place I can bring it up. I am wondering if the minister would care to look into it or comment on it or undertake to do something about it.

Hon. Mr. Guindon: Yes, Mr. Chairman, I would like to thank the hon. member for bringing this to my attention. As you know, we have grants to tourist councils and matching grants up to \$5,000. We also have, through our Department of Public Archives, grants to the museums of up to \$1,000 a year. So any help or assistance we can give to these locations, by way of these grants, we would be most happy to do.

I also forgot to mention that when you referred to Ouimet Canyon, I believe, in your first remark, we have it in our new book which is being distributed.

Mr. Stokes: Is the name on it?

Hon. Mr. Guindon: Yes, it is. It is 41 miles from Thunder Bay—Ouimet Canyon.

Mr. Chairman: The hon. member for Humber.

Mr. Ben: Mr. Chairman, before leaving this subject, I would like to deal further with what was discussed by the hon. member for Thunder Bay relative to transportation.

The hon. member mentioned the trains being taken out of service, and it caused me to think back to the days when excursion trains and excursion boats covered a good part of the southern part of this province. I specifically recall the steamers that used to leave the docks at the foot of York Street and run to Dalhousie and—

Mr. Pitman: Port Dalhousie.

Mr. Ben: —Port Dalhousie, that is right, and Kingston—

Hon. Mr. Grossman: Queenston.

Mr. Ben: Queenston, and elsewhere. I recall also that excursion trains used to run north through the Kawarthas and elsewhere. And I

asked myself what happened to this concept. We have been doing a lot of talking here about attracting American tourists, but I think it is just as important to make tourists out of our own citizens. A lot of those facilities that I mentioned were geared to our own citizens.

One of the hon. members—I cannot recall who; maybe it was the member for Peterborough—was talking about Algonquin Park. Great sums of money are spent to praise the virtues of this wilderness area, but what facilities do we supply for the average man on the street who does not have an automobile to go up there and experience the thrill of camping overnight or for a week in this wonderful wilderness? There are no facilities—none whatsoever. If you do not have an automobile at your disposal, you are not going to see Algonquin Park; your children are not going to see Algonquin Park. You can talk all you like in the Speeches from the Throne about the wild rivers, but they are not going to see those wild rivers or this gorge that the hon. member for Thunder Bay was discussing.

We certainly have a lot of automobiles in the Province of Ontario, but we still have a lot of people who do not have automobiles. And I suggest, Mr. Chairman, that it would be incumbent on this government to set up an internal system of excursion trains. After all, you do run an excursion train to Moosonee, the Polar Bear Express.

Last summer I had the pleasure of taking my family to Moosonee. I must say, in all honesty, they wanted to go to the east coast, but I felt that the east coast is a place where you can go almost anytime, winter or summer. It occurred to me also that the youngsters had never experienced travelling in a Pullman and that this would be a good way of giving them that experience before the Polar Bear Express and the Ontario Northland stopped carrying passengers. So we went up.

We travelled by the Polar Bear Express. We had berths going north. Coming back we had a mixture—and quite an experience, too, I might add, because we were taken off the train and put on school buses at Cochrane and transported in the middle of the night, 2 o'clock in the morning, all the way down to North Bay because there was a derailment at Matheson.

Those here who have ridden school buses may appreciate that they are not very well equipped. There are no hooks for you to hang your coats, no racks for your luggage. You just shove everything in the aisles, between the seats and away you go. It was a fairly smooth road, to tell you the truth, but

still, if my memory serves me, it was a 2½-hour ride, or something like that, with two youngsters. And those of you who read Gary Lautens and think he is having an experience in having a child with a cast on his arm, I want to tell you that the day before our departure my oldest boy had a walking cast put on. So we went up to Moosonee with one lad with his foot in a cast. But you are trying to promote that excursion, the Polar Bear Express, and more power to you.

When we were up there, they had just opened up another motel called the Polar Bear Motel, although it is not run by the government nor by the Ontario Northland Railway. We had made arrangements to spend three days there, and I want to tell you that we enjoyed ourselves. But, in all honesty, we must say that there are no facilities to entertain people overnight.

I think that the fault lies with this government. Surely they could develop some kind of attraction, utilizing the Indian population, that would keep people there overnight, even two or three nights, and cause us to spend some money in that area. For example, they could have pow-wows—I think that is the Indian term for a gathering. They certainly have enough timber up in that area for bonfires.

Mr. M. Shulman (High Park): They just had one.

Mr. Ben: They did indeed. They should have sold extra tickets to get the people up there to see it. But they could have something of that nature.

I visited their education centre. They could put on some type of play or pageant there, but obviously nothing has been done to encourage the people up there to do more to attract tourists. They will sell you handicrafts, but there is not very much of that.

There is a trip over to Moose Factory, which is interesting. They tell you you are going to ride in these big freighter canoes, and you do indeed—except they are all powered by outboard motors, whereas everybody is led to believe that they are powered by "Armstrong" motors. At any rate, there was a gap there that this department can fill.

So I think you should do something to reinstate these excursions. The railroads have made millions. Every time I read a financial paper about Marathon Realty, I start thinking that it started with our money, the taxpayers' money, the greatest giveaway in the world—

notwithstanding what Pierre Berton might write in his very interesting books. We should feel no hesitancy in requiring Marathon Realty and the Canadian Pacific Railway and the Canadian National Railways, which is our railroad, to continue to run excursions, especially during the summer to our vacationlands, Ontario.

Which leads me to another topic, Mr. Minister. I am glad that the Minister of Lands and Forests is still here.

Ontario, through The Department of Lands and Forests, in essence pioneered air travel in Ontario. Sometime we should write a book or history of the commencement of air travel in Ontario and the opening of the north.

I think that what is badly needed in this province is an airline operated by the government of the Province of Ontario. An airline which would operate solely within our borders, so that we would not interfere with federal jurisdiction. This would amount to a jitney service. We would use short take-off and landing aircraft.

We would not have to make reservations. You would know that there would be a short take-off aircraft running every hour, every three hours, or every five hours on a given day between points like Sault Ste. Marie, Sudbury, North Bay, Thunder Bay, Cochrane, Kapuskasing and Timmins.

I just cannot see why we are not operating such a service. We do not need the DC-8 and DC-9 and we do not need the 747 for a service like this.

As a matter of fact, to tell you the truth, I think to run an aircraft like that between Toronto and Ottawa or to go to Montreal is absolutely ridiculous. You waste so much power getting up there and so much drive. By the time you get to maximum power you already have to cut back, you have got to put down your flaps, and you have got to put down your wheels, so I do not see where you are saving time at all.

The province should be running an inter-city service between these points like Toronto and Ottawa but, for goodness sake, we could be using 10-seaters, 12-seaters, the de Havilland aircraft. I recall when I had to—

Hon. Mr. Brunelle: Twin Otters.

Mr. Ben: Twin Otters. Speaking of Twin Otters, I had occasion to have to travel between, I think it was, Sarasota and Naples down in the United States. They were using Twin Otters; they were running almost a

jitney service. Most of southern Florida is covered by air service using Twin Otters and I cannot see why we do not use them more frequently.

This could come within the scope of this department. It has to fit into some department and I know the Minister of Transportation and Communications would have priority and would be the logical one to run it, but you might discuss it with him.

So those are the three things I want to leave with the minister: The revival of the tourist excursion both by land and water, the establishment of an air service within the Province of Ontario, and the expansion of tourist attractions along the Ontario Northland Railway, especially at Moosonee and Moose Factory. I might even suggest at intermediate stops, like Abitibi Falls, where there is nothing except a dam under construction. I think there should be something there to attract tourists. You might even put up a hotdog stand, so that they have a chance to straighten their legs. They sell hot dogs on the train, I know.

Then I want to ask under which vote do we discuss the Niagara Parks Commission?

Hon. Mr. Guindon: The Niagara Parks Commission is not under our department.

Mr. Ben: It touches on tourism anyway, so I will pitch it under this vote.

Today I received a communication from a person who actually lives there complaining about the methods that are used there to operate tourist stands. This particular individual grows fruit and he makes raspberry drinks, pure raspberry table syrup, also strawberry table syrup, and sour cherry table syrup. He was selling it to the Niagara Parks Commission at 65 cents, I think it was, a bottle, a quart—

Mr. Shulman: The member is out of order.

Mr. Ben: It has to do with the Niagara Parks Commission and the fact that—

Mr. Chairman: As far as a tourist attraction goes, I think it would be appropriate, but as far as the operation of the Niagara Parks Commission, of course, it is not.

Mr. Ben: Mr. Chairman—

Mr. Chairman: It is partially tourist—

Mr. Ben: Let us put it this way—

Mr. Chairman: —if you keep to that phase of it.

Mr. Ben: If it will help you, Mr. Chairman, I have a number of letters, photostatic copies of letters, which were received by this individual from tourists who had purchased the table syrup at the Niagara Falls stores, were not able to get any more and were writing to him to get it. The Niagara Parks Commission concessionaires refused to handle it. This individual was originally selling it at 65 cents a bottle to them in 1968. They were selling it for \$1 a bottle. They then raised his price to 75 cents a bottle but they raised their retail price to \$1.50 a bottle. At 65 cents a bottle, he sold them \$900 worth; at 75 cents a bottle, none. They could not sell it at \$1.50.

Then he tells a very, very sad history of dealings with the commission, how he went there and found that they were not putting it on the counters. He had to offer bottles to the employees, so that they would bring the bottles down from storage. They said it was too heavy, and he would have to give a bottle in order to get permission to bring it down.

It is a pity that the Minister of Agriculture and Food is not paying attention, because here he was trying to sell to tourists a Canadian product, a wholly Canadian product. It was selling at a reasonable price, but they would not sell it at a reasonable price. They wanted 100 per cent markup.

So I was interested to hear what my friend from Niagara Falls was saying. The only thought that occurred to me is that by not selling any of this syrup there they are leaving some money in the tourists' pockets so that they could spend it in Toronto, because obviously the way the concessionaires there operate, they want to fleece the tourists completely and not leave anything to be spent internally in the rest of the province.

But, in this particular instance, tourists were writing and asking why they could not buy this product elsewhere, why did they not see this product, and the store there would not handle it. It does not come within the minister's department, I wish I knew whose department it does come under.

Mr. Chairman: If it has to do with the Niagara Parks Commission it should be discussed when the commission appears at the appropriate committee, the standing committee on commissions.

Mr. Ben: Oh well, we should have—

Mr. Chairman: Because there is no money in the minister's department for that. Has the minister any information on this?

Hon. Mr. Guindon: Well, Mr. Chairman, if the hon. member would give me the correspondence that he has I would be glad to take it up with the chairman of the Niagara Parks Commission who would report to him.

Mr. Ben: Well I hope you have more luck than the hon. member for Welland (Mr. Morningstar). He wrote on this gentleman's behalf and he did not meet with very much success.

Mr. Chairman: This minister has offered to be helpful if he can.

Mr. Ben: Very well. I will take him up on his suggestion.

Mr. Chairman: The hon. member for Peterborough.

Mr. Pitman: Mr. Chairman, how many tourist operators are there in Ontario today? And perhaps the minister could give me the numbers over the last three years, how fast they are increasing and—

Hon. Mr. Guindon: Well I am informed, Mr. Chairman, that the number is pretty stable in recent years and that we would have approximately 7,000.

Mr. Pitman: And they are stable?

Hon. Mr. Guindon: In recent years.

Mr. Pitman: In spite of the fact that you have growth in most industries and the growth and the number of people coming into Canada, the number of operators is stable? Can the minister give any indication of the numbers of failures and the number of people going out of business in the tourist industry?

Hon. Mr. Guindon: Well I would be glad to get this information for you. I do not have it offhand. But one point I would like to make is that we have larger operations today, perhaps not more in number but larger.

Mr. Pitman: I wonder if perhaps the minister, while he is getting that information, could even get me information on the total amount of tourist accommodation? That would probably be a fairer assessment of what the possibilities of the industry are in the Province of Ontario. The only other

thing I would like to ask is: does the minister have any statistics on what is offered in the American plan? That is the plan whereby people are given their meals and receive services in the tourist operation as a part of their weekly costs.

In my own area, because of the effect of the cost of giving meals in these tourist operations these are becoming fewer and fewer. In fact, in 1969 there were 11 fewer than there were in 1965, and one tourist operator in my area worked it out that in 23 years there will not be any tourist operations in the entire Kawarthas region which will be on what could be called the American plan.

If this is the case—and believe me, this is something really important here in relation to what effect the wage rates, the food taxes and so on are having on the tourist industry—it would seem to me that this is something that the minister should be very aware of, and should be taking some reaction to in relation to his other colleagues in cabinet.

Hon. Mr. Guindon: The number of establishments with the American plan is declining from year to year, I am informed by my staff. It is declining.

Mr. Pitman: Yes, it is declining. This is what I ask the minister. Would he regard this as conducive to better tourism in Ontario, or would he regard this as an indication of the inability of the tourist operator to cope, that is, to be able to provide the wealth of services?

Obviously what the minister is saying then is that tourist operators were able to provide a greater variety of services five years ago than they are able to provide now. If that is an unfair statement I would be very happy to hear what the minister has to say in reply to that assumption.

But it would seem to me that what is happening is the minister is saying to me that the tourist operators are about the same number although they are getting larger, but at the same time they are having to restrict their services. Presumably then the industry itself is not becoming more sophisticated and more able to provide a greater wealth of services; they are in a sense being forced to restrict their services because of policies that this government is adopting in relation to the tourist industry. That is a pretty serious state of affairs.

Hon. Mr. Guindon: Mr. Chairman, I would suggest that we offer more services, as a

matter of fact. We would like to look into this and give this matter every consideration.

Mr. Edighoffer: Mr. Chairman, just a couple of brief questions: First, I would like to find out the number of employees in general office, administrative services and personnel services.

Hon. Mr. Guindon: Forty-one.

Mr. Edighoffer: The same total as last year. Also, Mr. Chairman, I would like to ask the minister under what vote he would tell us how the offices of the Ontario representative at Ontario House in London, England, is doing? Does that come under this vote or where does this come?

Hon. Mr. Guindon: It went under the tourism programme, vote 2102.

Mr. Edighoffer: Fine. I will wait until then.

Mr. Pitman: Mr. Chairman, I wonder if I could ask the minister to get this information for tomorrow. I would like to know how many people were actually employed in the tourist industry over the last five years. Has the number of people being employed by the tourist industry increased relative to the number of people coming across the border? Has it increased in terms of the population of the country and the province? Has it increased at the expected level of appreciation which, I think one would tend to believe, should take place?

We have heard a great many criticisms by the tourist operators, that they have not been able to hire the number of students they should have been able to, simply because they have been closing down the dining rooms and they have been unable to provide certain services they would like to provide.

Perhaps this might be reflected also in the number of employees in these tourist operations across Ontario. I think this would be very useful.

Hon. Mr. Guindon: I will try to get the information tomorrow.

Mr. Chairman: Shall vote 2101 carry?

Vote 2101 agreed to.

On vote 2102:

Mr. Chairman: I might just say to the minister and the member for Perth that the operation of Ontario House comes under The Department of Trade and Development, un-

less there is some particular item about tourism that this minister might be familiar with.

The member for Perth.

Mr. Edighoffer: Mr. Chairman, I specifically wanted to find out what is the cost to this department for employees who are at Ontario House?

Hon. Mr. Guindon: We have two employees at Ontario House in London, and the cost of the overall programme of promoting travel groups into Ontario and paying the salaries of our two employees is \$35,000 a year.

Mr. Chairman: The member for Peterborough.

Mr. Pitman: Mr. Chairman, I would like to bring to the minister's attention what I think is perhaps one of the more unhappy examples of publications that have emanated from his department. I wonder if the minister could indicate how many copies of the St. Lawrence Parks Commission report were printed, how much each of them cost and what the total cost of that printing was?

Hon. Mr. Guindon: Yes, approximately 300 copies and they cost just about \$2 a copy.

Mr. Pitman: That may not seem like a very large expenditure, Mr. Chairman, but it seems to me in a department that has so little money to work with, I would question the nature of this report. There are 300 copies, which certainly does not get the report very much further than through this Legislature. I question the format of the report. It seems to me that there are more pictures than there is commentary.

I do not think that the report is particularly informative in terms of any new information. It certainly does not have the pizzazz to be any kind of a drawing card and, obviously, with 300 copies it was not meant to be this; one would wonder why—for a publication of this nature, which obviously a limited number of people are going to see; it scarcely goes beyond this Legislature, as I say—one would bother putting out this publication which must have taken a great deal of time. I suspect that \$2 is the printing cost, but I suspect that it did not take in all the photography costs and the people who spent their time writing this, with very wide borders and a great many pages and a great many spaces.

One would really wonder what the nature of this report would be. It certainly does not have the compactness and the purpose of an informative document, which might provide the statistics which we in this Legislature should have on any activity which is going under the aegis of any department of this government.

Yet, at the same time, it is really a very dull piece of work, especially if one looks at the pictures, which, quite frankly, are bad. Even the pictures of the minister do not do him justice. They really are not very good.

I suggest to the minister that is one expenditure he can very well put in some other form. He can give it out on a hand-out sheet, because really, I do not think it serves any real purpose whatsoever.

Hon. Mr. Guindon: Yes, Mr. Chairman, thank you. I thank the hon. member for his comments about our report.

The annual report of the parks commission has been issued every year for at least 10 years. It is done by our own people at the commission in Morrisburg. We are trying to save money, that is one of the reasons.

It is intended, of course, for the members of the Legislature and here are a few extra copies for the press as well, the news media, and a few extra copies for our own records. But the fact is that we are only spending \$600, instead of thousands of dollars.

Mr. Pitman: Yes, okay, I agree. I am glad there are not more.

Mr. Chairman: The member for Windsor-Walkerville.

Mr. B. Newman (Windsor-Walkerville): Thank you, Mr. Chairman. I wanted to ask of the minister, now that the Province of Ontario has purchased Pêche Island in the Detroit River, and as it does have some buildings on it, if he has any plans at all for the present year to put that actually into use, maybe as a tourist attraction, or possibly as an area which the residents of the city itself could go and visit, to enjoy the pleasures of the island itself.

Hon. Mr. Guindon: This is a matter of government policy, of course, and I am not in a position to comment on this.

Mr. B. Newman: I know your department did not buy it, Mr. Minister, but it is an island and it is in the Detroit River and it is a unique island and it probably could be built to some type of tourist attraction. I

would like the minister to look into the thing and see if it is actually feasible.

Maybe it does not lend itself to the extent that your department would like to get involved. But we will only know that, if you look into the situation.

May I ask of the minister if his department is giving consideration to the establishment of a tourist attraction at the extreme western end of the province, that is, in the Essex county area, similar to the Upper Canada Village that now is located in the eastern part? I have brought this up year after year, hoping that government, at some time, would see the wisdom of locating such tourist attractions throughout the province, so that the tourist coming in could possibly spend one or two days in one of the government attractions.

It could be a seigniory or a Jesuit village along the banks of the Detroit River where the Jesuits settled back in the 1600s. From there, they could travel into the Toronto area or to any other tourist attraction between Windsor and Toronto, then go on to Upper Canada Village. They could see a little bit of Ontario and Canada by the various types of tourist attractions that could be developed.

Is the department undertaking any studies as to the feasibility and the advisability of setting up something similar to a seigniory or a Jesuit village in Essex county?

Hon. Mr. Guindon: Mr. Chairman, we have no such plans at the present time.

Mr. B. Newman: Will the minister undertake to look into the possibility because, Mr. Minister, if we do not set up something like that now and if we do not purchase the properties for such an attraction today we may lose them forever.

I am certainly aware that the minister knows that the Ford Museum across the river from Windsor and Greenfield village are tremendous tourist attractions. People from all over the world come down just to see the Greenfield village, and we could attract some of those tourists into the Essex county and the Windsor area if we had something there that could, in some small way, copy what is being done in Upper Canada Village. You know one of the earliest French settlements in the Province of Ontario was in the Windsor area and—

Mr. E. W. Sopha (Sudbury): The Rheaumes.

Mr. B. Newman: The Rheaumes are still there and they did settle in the area that I

have in mind when I make mention of a seignior or a Jesuit village.

There is a tremendous amount of history in the county, especially the type of history that would be appealing to an American who knows that the foundings of a lot of the centres in the State of Michigan are as a result of the early settlers in Essex county using it as a base and then spreading into what is now the State of Michigan and spreading British justice. I should not say British justice, I should say the French religion first and then British justice later.

Mr. Sopha: Oh, the minister and I would not be caught up much by that.

Hon. Mr. Guindon: Well, Mr. Chairman, I would be glad to look into it.

Mr. B. Newman: One other item that I would like to bring up with the minister is the envelopes of material that are provided to the students who visit the Legislature. Mr. Minister, look into that. Let us give these students something that is worthwhile and not that junk and garbage that is being shovelled at them. You are trying to get rid of some real old stuff. Some of the information is so outdated that members of the cabinet, or former members of the cabinet, have retired from their posts years ago. It is irrelevant today and you are still shovelling it up to the students in the gallery.

Do you not have any other way of disposing of it? Apparently, this is the reason why you give it to them. Give them something that is relative to them; give them some information concerning the Province of Ontario, not a lot of that—I could only say garbage—that is really being shovelled at them. Surely they are not human waste disposal units that we are using for some of that?

Make the material relevant so that it is taken back with the students and appreciated. So many of them, once they open the envelope never take it any further. I see lots of them left on the train when I leave the city and accompany some of them back into the city of Windsor. They are ashamed to take it. Give them something that is really worthwhile.

Mr. Bukator: It is not all garbage. I will tell you why it is not all garbage. Some of those things have Mitchell Hepburn's pictures on them.

Hon. Mr. Guindon: Well, as you know, the material in these envelopes is not all from our department but we will give it consideration.

Mr. B. Newman: I know that, Mr. Minister, but we are selling Ontario so let us sell it right.

Mr. Chairman: The member for Thunder Bay.

Mr. Stokes: Yes, I have two small items that I would like to bring up with the minister under promotion, and one is that I see no provision in this vote for Fort William. Now, I understand that estimate runs anywhere between \$8 million and \$13 million and I see nothing in this vote for it. I am just wondering if there is another place for it?

While the minister is looking that up, I wonder if the minister would consider the establishment of another tourist information centre, when one considers that four-fifths of the land mass lies north of the French River, I think it is—not because there are many people living there but because we have an ever-increasing number of people who are journeying through that area—and when one considers if you have a tourist information centre sponsored by this department, say, in Saulte Ste. Marie, and you never get another one until you get to Thunder Bay, which is 460 miles, so that you do not have anything between those two areas.

I think at the junction of Highways 11 and 17, where they are extolling the virtues of that great ride along the north shore of Lake Superior, east and west, that would be an ideal place to put it. It is the junction of Highways 11 and 17 where you have all of that huge tourist area north. I am suggesting that Nipigon would be an ideal place to put one and I hope the minister will take that under advisement.

Hon. Mr. Guindon: In reply to your first question, there is an amount set for Fort William in historical parks, for acquisition of land and physical assets.

Mr. Chairman: Vote 2102—does this carry? Will there be further discussion on it?

Hon. Mr. Wishart moves that the committee of supply rise and report a certain resolution and ask for leave to sit again.

Motion agreed to.

The House resumed; Mr. Speaker in the chair.

Mr. Chairman: Mr. Speaker, the committee of supply begs to report a certain resolution and asks for leave to sit again.

Report agreed to.

Hon. A. A. Wishart (Minister of Financial and Commercial Affairs): Mr. Speaker, before moving that the House adjourn, I would intimate that on Thursday I would expect we would continue with the estimates of this department. Should they be finished during the day, we would go to second readings. There are a number of bills on the order paper, four of them, I believe, standing in the name of the Prime Minister (Mr. Davis). I anticipate that the Attorney General (Mr. A. F. Lawrence) would be carrying those bills on second reading.

There are quite a number of bills for second reading, so hon. members could anticipate, I think, we could get second reading of those bills. There are four bills today that reached third reading stage. Perhaps we will do those third readings too, but we will be dealing generally with second readings after the completion of these estimates, in any event.

In committee, I understand that the estimates of The Department of Labour are completed with the exception of the Workmen's Compensation Board item and, as I indicated to hon. members earlier today, Transportation and Communications follows.

Mr. E. W. Sopha (Sudbury): The minister keeps referring to bills as being the Attorney General's. Does he mean the bills standing in the name of the Premier?

Hon. Mr. Wishart: As I indicated, yes. I would think that the Attorney General would direct those bills on second reading. They came from The Department of the Attorney General and were introduced, I know, by the Prime Minister.

Hon. Mr. Wishart moves the adjournment of the House.

Motion agreed to.

The House adjourned at 10:34 o'clock, p.m.

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ONTARIO

Legislature of Ontario Debates

OFFICIAL REPORT — DAILY EDITION

Fourth Session of the Twenty-Eighth Legislature

Thursday, June 17, 1971
Afternoon Session

Speaker: Honourable Fred McIntosh Cass, Q.C.
Clerk: Roderick Lewis, Q.C.

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1971



(Daily index of proceedings appears at back
of this issue.)

LEGISLATIVE ASSEMBLY OF ONTARIO

THURSDAY, JUNE 17, 1971

The House met at 2 o'clock, p.m.

Prayers.

Mr. Speaker: This afternoon our guests in the galleries are, in the east gallery, students from George Perry Public School in Sarnia; and in both galleries from Smithfield Middle Public School in Rexdale. Later today there will be students from Harrow Senior Public School in Harrow, Westhill Senior Public School in Elliot Lake and Kinmount Public School in Kinmount with us; and this evening students from Pope John XXIII School in North Bay.

Statements by the ministry. The hon. Minister of Labour.

Hon. G. Carton (Minister of Labour): Mr. Speaker, in view of the interest of the Leader of the New Democratic Party and others, as evidenced by their submissions during my estimates last week, I am happy to inform the House that the parties to the Toronto Daily Star negotiations have reached agreement, subject to ratification.

Sir, this agreement was reached with the aid of our senior conciliation officers, one of whom has had three hours sleep in the last 54 hours, and as a matter of fact there was continuous bargaining for some 23 hours to effect this agreement.

Mr. Speaker, I might point out our people aided in making agreement possible but really, it was the parties themselves who finally resolved their differences.

Mr. Speaker: The hon. Minister of Citizenship.

Hon. J. Yaremko (Provincial Secretary): Mr. Speaker, as Provincial Secretary and Minister of Citizenship, one of my department's functions is to increase public awareness of the multicultural nature of Ontario society and the social, economic and cultural contributions made by all the groups in the development of the Ontario today.

I take great pleasure in drawing the members' attention to the fact that this—

Mr. S. Lewis (Scarborough West): This is where I left! When I left last week the minister was making this speech.

Mr. C. G. Pilkey (Oshawa): He has not relinquished the floor yet!

Mr. Speaker: Order! Order!

Hon. Mr. Yaremko:—day is of particular significance for approximately 35,000 people in Canada who are of Icelandic descent, for this is the national day of Iceland.

It commemorates the granting of a constitution to Iceland in 1874. However, those of Icelandic descent in this country now recognize it as a day to honour their ancestors who first settled here.

The same questing spirit which impelled Leif Ericsson to explore the seas brought to Canada the immigration of modern Icelanders. Next year, Canadians of Icelandic origin will in fact mark a centennial of their own—the 100th anniversary of the arrival of the first immigrant from Iceland on Canadian soil.

Sigtryggur Jonasson reached Ontario as a young man of 20 and he helped settle the first group of 100 Icelanders at Rosseau in the Muskoka area in 1873.

I would ask all hon. members to join with me in conveying to the Icelandic consul in Toronto, Mr. J. Ragner Johnson, QC, the congratulations and best wishes of the people of Ontario.

Eg oska ykkur tillukku.

It is also a day, Mr. Speaker, of significance in the life of Ontario's half-million fellow-Canadians of German descent, 250,000 in our capital area alone, who celebrate June 17 as Germany's national day.

Canadians of German background have family roots that go back to 1750. In Ontario, almost seven per cent of our population is of German origin and they have brought to us a rich diversity of talents and skills in all fields.

In public life, at least two fathers of confederation were of German origin—Charles Fisher of Fredericton, and William Henry Steeves of St. John—and there was the

father of Ontario Hydro, Sir Adam Beck. They and all others have made a very great contribution, and that is why we extend to them the courtesy of acknowledging this anniversary.

I would ask the hon. members to join with me in conveying to the senior West German representative in this province, the acting consul general, Dr. Helmut Arndt, the warmest regards and best wishes of the people of Ontario.

Mr. J. E. Stokes (Thunder Bay): What about our first citizens?

Mr. Speaker: Oral questions.

VICTORIA COUNTY WELFARE DEPARTMENT

Mr. V. M. Singer (Downsview): Mr. Speaker, I have a question of the Minister of Financial and Commercial Affairs. Is he able yet to advise us as to the situation with the Victoria county health unit, which question he took as notice, I think, last Monday?

Hon. A. A. Wishart (Minister of Financial and Commercial Affairs): The answer is no, Mr. Speaker, not yet.

REPORT OF ROYAL COMMISSION ON BOOK PUBLISHING

Mr. Singer: Mr. Speaker, I have a further question of the Minister of Financial and Commercial Affairs in relation to the report brought down by the Rohmer commission, if I may call it that, and the legislation introduced. Would the minister advise us if there is concern in the minds of that commission and the government that elements of organized crime have been able to, or are planning to, make a partial or full takeover of the paperback book industry?

Hon. Mr. Wishart: Mr. Speaker, I do not know what is in the minds of the commission other than the material I have received. All members have received copies of the second interim report. I have received some of the background papers, not all of which I have been able to study yet. I did speak with the chairman of the commission, Mr. Rohmer, yesterday. At that time I acquainted him with the suggestion which was made by the member for Downsview yesterday so that that matter is being pursued. I think that when the Prime Minister (Mr. Davis) returns, I shall discuss the whole matter with

him and perhaps a fuller answer than I am able to give at this moment can be given.

Mr. Singer: By way of supplementary, is the minister indicating to us that he is not prepared to discuss it or he has no knowledge of the question I just previously posed to him? I am not sure that I understand his answer.

Hon. Mr. Wishart: No, Mr. Speaker. I thought I made it clear that the only knowledge I have is what is contained in the report which the commission itself prepared and which I made available to all members of the House as well as to the press. I have some background material which I have not concluded studying, and I do not know what detail is in the mind of the commissioner. The only conversation I have had with Mr. Rohmer since the legislation was introduced was a brief telephone conversation when he was in Montreal yesterday.

Mr. Singer: By way of further supplementary: Would the additional information which the minister has in his possession perhaps indicate what the answer to my first question might be, or is the minister able to tell us that?

Hon. Mr. Wishart: No, I am not able to do so at this moment. I do not like making statements on half information when I have not read all the information that is available.

Mr. Speaker: Does the member for Peterborough have a supplementary?

Mr. Singer: I have a further supplementary. Does the minister know—

Mr. Speaker: This is the last supplementary from this member on this question.

Mr. Singer: Does the minister know whether any unit of the police forces of Ontario have been asked to or are presently investigating the possible role that organized crime or elements thereof might be playing in this instance?

Hon. Mr. Wishart: The answer is no, Mr. Speaker. My colleague the Attorney General (Mr. A. F. Lawrence) has not been here since Friday of last week, and I have not had an opportunity to discuss this matter with him.

I am not sure, Mr. Speaker, that I would want to indicate, even if I knew, what the police were doing in any particular situation.

Mr. Speaker: The member for Peterborough has a supplementary?

Mr. W. G. Pitman (Peterborough): A supplementary, Mr. Speaker: I wonder if I could ask the minister whether he could assure us that this bill will not be brought forward for second reading until these materials are in the hands of the opposition, which might well be next week?

Hon. Mr. Wishart: Until what materials, may I ask?

Mr. Pitman: Until this information which the minister has alluded to this afternoon is available in some form or another.

Hon. Mr. Wishart: Mr. Speaker, I made no commitment or indication that I was necessarily going to place other material before the members of this House.

It may be that the background information may be such that it could be made public or it may not be. The bill and the report of the commission are before members of the House.

I am not certain, and I certainly want to give no impression that I will necessarily place in the hands of the House or the public the background information which may have to do with persons who may need to be investigated.

That might be a matter that could best be pursued, if necessary, by police without being broadcast to the public. The interests of the public might best be served by another method of procedure.

Mr. Lewis: By way of supplementary, if the minister has now alluded to a police involvement—

Hon. Mr. Wishart: I did not allude to this.

Mr. Lewis: Well, with great respect, Mr. Speaker, the minister said it may be something that the police would have to be involved in and not a matter for public discussion.

Hon. Mr. Wishart: No, Mr. Speaker, I said—

Mr. Lewis: The minister has already alluded to the police. He hints at dark thoughts behind it.

An hon. member: The hon. member did not hear him.

Mr. Lewis: Why is the minister not prepared to level with the Legislature when he is hinting all around the subject?

Mr. J. R. Simonett (Frontenac-Addington): Why does the hon. member not level with the Legislature?

Hon. Mr. Wishart: Mr. Speaker, first of all let us get the record straight. I did not make allusions to the police. The question from the member for Downsview was, if the police investigated, and I said "I do not know. I have not consulted with the Attorney General, nor do I know."

When I was speaking a moment ago I said: "If it should turn out that there were investigations to be carried on, it might well be that such information as the member for Peterborough asked should not be made public."

That is what I said. I did not allude to the possibility of an investigation, or that police were investigating.

I made it very clear that I do not know that they are.

Mr. Lewis: By way of supplementary: Would the minister be willing to hold the bill for a few days until such time as he has discussed it with the Premier and with the Attorney General and decided whether or not the Legislature was entitled to further information?

Hon. Mr. Wishart: Mr. Speaker, it certainly is my intention, of course, to discuss the bill further with all my colleagues. I have no intention of rushing it through the House. The bill is effective as of June 14 when it is passed, but I—

Mr. Pitman: There is no hurry?

Hon. Mr. Wishart: Do not put words in my mouth. I do not say there is no urgency. I think it is essential, however, that it having been introduced, it proceed with reasonable speed so that in the ordinary course of events we will proceed with it. I can only reiterate what I said before.

If it is possible to make available—and if it is wise, considering all the circumstances—to make available other information, I would be glad to do so. But I have to weigh with my colleagues, with the Prime Minister and with the Attorney General particularly, the advisability of making available any background material which has come to the attention of the commission. Again, I make it very clear I have given no intimation at

this moment or any promise or suggestion that I shall make such information available.

Mr. Speaker: I wonder if the hon. member for Downsview and the other members would allow us to revert to statements? I will take the time out of the question period because I am advised the Minister of Public Works has a statement and there may well be questions the members wish to ask him of that.

Statements by the ministry.

Hon. J. A. C. Auld (Minister of Public Works): Mr. Speaker, in view of the interest expressed by a number of members in this House in the proposal or the request that some provincial property at the Mercer reformatory be made available for transient youth this summer, I thought I should let the House know the way the situation stands at the moment.

On Monday I received a letter from Mr. Larry Saunders of Grass Roots and Wacheea, which I will not read entirely, but I will read two paragraphs of it. This is an application for the use of the property. Mr. Saunders says:

We would like to make it clear that we are making an application directly to you rather than proceeding with the intermediary sponsorship of the Toronto Board of Education in order to overcome the objections of the board's solicitor and the legal representatives of the Ontario Department of Education who have both indicated that this project is beyond the board's jurisdiction.

Also in our Tuesday meeting—

That was a meeting I had with representatives of this organization.

As Metro social services committee does not meet until June 21, approval could not be obtained from Metro council until the beginning of July. If arrangements could not begin before this date we would not be able to open up the property before the first of August. As the time factor is critical we ask the cabinet to approve the application in this form.

And I have replied to Mr. Saunders under date of June 16, as follows:

Thank you for your letter of June 11 in connection with your application "for the use of the Mercer Reformatory grounds on King Street West as an outdoor facility for transient youth this summer."

This morning, June 16, I took your request to the Ontario cabinet and outlined

to my colleagues the background on your project, the various decisions made by the Toronto Board of Education and the city of Toronto council, and as well, informed them of the substantial support the Wacheea project has within the community.

I am advised by the cabinet to inform you that unless your application could receive the official backing of either Metro council or the city council, we would not be in a position to offer the Mercer site to Wacheea.

As you already know, I have been informed of the city of Toronto resolution of May 26, which read: "It is recommended that city council advise the Minister of Public Works for Ontario that it does not approve of the use of the Mercer site as a campsite for transient youths."

I think you can understand our reluctance to ignore—

Mr. M. Shulman (High Park): Does the minister prefer them sleeping on the streets?

Hon. Mr. Auld: Quoting:

—this recommendation. I know you will be disappointed, but I am sure you can also understand the unfortunate position the province is placed in.

Personally, I can say that I have been very impressed with your organization's efforts in this whole affair, and at the same time, pass along to you the similar attitude expressed by my cabinet colleagues.

Mr. Shulman: That is a big help.

Mr. E. W. Martel (Sudbury East): Very consoling to those people!

Mr. Speaker: We now resume the oral question period. The member for Downsview.

Mr. Singer: Mr. Speaker, a question then to the Minister of—

Mr. J. E. Bullbrook (Sarnia): I had a supplementary question which I wanted to direct to the Minister of Financial and Commercial Affairs when you—

Mr. Speaker: I ruled no further supplementary questions on the question that was being discussed before.

Mr. Bullbrook: How does one arrive at that arbitrary judgement, most respectfully?

Mr. Speaker: The Speaker has so arrived. The member for Downsview has the floor for further questions.

HOSTEL ARRANGEMENTS FOR TRANSIENT YOUTH

Mr. Singer: Mr. Speaker, I have a question of the Minister of Public Works arising out of his statement.

In view of the obvious concern expressed by the Minister of Public Works to help the young people and to assist the organization to which he has referred, would the minister not intervene, by way of meetings and urgings directed to both the Metropolitan Toronto council and the city council and try and convince them, with all the authority of his office, that this is a desirable thing to do and the province would be prepared to completely co-operate, and even if necessary assist financially?

Hon. Mr. Auld: Mr. Speaker, the answer to that in a word is "no"; because as I see my responsibility as Minister of Public Works it is not directly connected with youth activities; other departments are. I am in the position of a landlord, I am not in a position as a representative of the government involved in the federal youth programme.

Mr. Singer: Mr. Speaker, by way of supplementary, in view of the fact that in his statement the minister indicated that he discussed this matter with his cabinet colleagues, was there not one of his cabinet colleagues who felt he might have this responsibility—if a cabinet decision was made, as the minister indicates, expressing Ontario's concern?

Mr. Simonett: That would be confidential information.

Hon. Mr. Auld: I think the hon. member is aware that there is a committee of cabinet that has been working on the youth programmes for this summer and announcements have been made by responsible people in the past about the things that the province is doing.

Mr. Singer: By way of further supplementary, is the minister prepared to say that this is the last word from either he or any representative of the government of Ontario?

Hon. Mr. Auld: Well, it is always the last word unless there is another one later on.

Mr. Singer: That speaks well of the minister.

Mr. Speaker: The hon. member for High Park has a supplementary?

Mr. Shulman: How does the minister rationalize this with his earlier statement that the property would be made available if any responsible body would take responsibility? Does the minister not agree that the board of education is a responsible body and they have agreed to take responsibility?

Hon. Mr. Auld: No, Mr. Speaker, on the basis of their solicitor's opinion.

Mr. Speaker: The hon. member for Parkdale has a supplementary?

Mr. J. B. Trotter (Parkdale): A supplementary question of the Minister of Public Works: If the city of Toronto council would reverse its decision about Mercer, would his department permit this organization the use of the grounds?

Hon. Mr. Auld: Mr. Speaker, I think I have covered that on several occasions. I said if the city approached us and wanted the use of the property and wanted to lease it from us, I would be prepared to negotiate with them. I am not prepared at any time, of course, to give a blanket statement that it would be leased, because there might be certain provisions regarding responsibilities, damage, return to original condition and so on, which I have stated in this House and in the committee on previous occasions.

Mr. Speaker: The hon. member for Scarborough East has a supplementary?

Mr. Lewis: And the minister is very pleased that the city has taken him off the hook.

Mr. T. Reid (Scarborough East): Would the minister recommend to his cabinet colleagues that in future they use the term "travelling youth" instead of the derogatory term "transient youth"?

Hon. Mr. Auld: I do not know that my cabinet colleagues have used the term. I am the one who used it. If it causes any offence I will withdraw it and use whatever term will adequately cover the situation.

Mr. S. J. Randall (Don Mills): We could call them "road" scholars.

Mr. M. Makarchuk (Brantford): That is one of his better ones.

Mr. T. Reid: He got me!

Mr. Pilkey: What hamburg place did he get that out of?

Interjections by hon. members.

Mr. Speaker: Order!

FUTURE OF GARDINER EXPRESSWAY

Mr. Singer: Mr. Speaker, I have a question of the Minister of Transportation and Communications.

In view of the Premier's reply to the council of the borough of Scarborough in relation to the future of the Gardiner Expressway as it might extend into that borough; when the Premier said, "I or the members of my cabinet would be happy to arrange a meeting with the board of control on this topic at an appropriate time;" could the minister advise us what, in his opinion, might be an appropriate time that these discussions might take place?

Hon. C. S. MacNaughton (Minister of Transportation and Communications): I think an appropriate time, Mr. Speaker, might be when it is convenient to all concerned.

Mr. Singer: Mr. Speaker, by way of supplementary: In view of the fact that the council of the borough of Scarborough obviously feels the matter has some substantial urgency so that they can get on with their planning, could the minister indicate what time—within some limits, if he wants to set them—might be convenient? Would it be a day, a week, a month or a year?

Hon. Mr. MacNaughton: I do not know, Mr. Speaker, that there are any reasonable time limits that should be proposed. I think there is some urgency to it. I agree with the borough of Scarborough in terms of urgency from their point of view.

As far as I am concerned personally, as Minister of Transportation and Communications, I am ready to see them any time. But I cannot set a specific date. There are other things going on, I might say, that take up part of a minister's diary, but I think there is some urgency, and as soon as it can be conveniently arranged, it will be all right with me.

The Prime Minister may have some other thoughts on this, but I think he would feel the same way about it.

Mr. T. Reid: The secret diary of Charles MacNaughton.

SEIZURES OF BROILER CHICKENS

Mr. Singer: Mr. Speaker, I have a question of the Minister of Agriculture and Food. Could the Minister of Agriculture and Food advise us as to how the government plans to enforce the seizures made by the broiler

marketing board, if and when retailers are going to refuse them entry to their premises?

Hon. W. A. Stewart (Minister of Agriculture and Food): Mr. Speaker, the government is not enforcing the legislation. The permit system and the regulations under it are provided to the Broiler Chicken Producers Marketing Board for it to carry out.

Mr. Singer: By way of supplementary: Is the Minister prepared to advise, or are his advisers advising the officials of the broiler marketing board that they should carry the matter further than they already have?

Hon. Mr. Stewart: Mr. Speaker, that is a matter for the broiler board to make in its own determination when it is discussing the matter with its own people.

Mr. Singer: By way of further supplementary: Is the minister suggesting that there is no advice coming from him or his officials to the broiler marketing board, which has obviously run into some difficulty?

Hon. Mr. Stewart: Mr. Speaker, the hon. member, representing his party, which has always criticized me for interfering in the affairs of marketing boards, now suggests that I should interfere in the affairs of marketing boards, which is just a complete reversal of what is the normal position over there in the opposition.

Mr. Singer: By way of further supplementary, Mr. Speaker, would the minister care to answer my question? Is he or are any of his advisers giving advice to the broiler marketing board?

Mr. Speaker: I would call to the attention of the hon. member that as members are entitled to phrase questions within reason as they wish, ministers are entitled to answer within reason as they wish, and if the member is not satisfied there is nothing much he can do about it, because the minister is entitled to answer as he wishes.

I rule that the minister has answered the question as he wishes. There will be no further supplementaries. We will pass on to the next question please.

Mr. Singer: That is enough for the moment.

STRIKE AT AP PARTS

Mr. Lewis: I have a question, Mr. Speaker, of the Minister of Labour. Has the Minister of Labour received a full report on the

arrests made in the strike of AP Parts yesterday morning and again this morning? Is it his intention that The Department of Labour will do anything in an effort to intervene in the dispute?

Hon. Mr. Carton: Mr. Speaker, there is a meeting convened tomorrow morning between the company, the union and the other people concerned in this matter.

Mr. Lewis: And the government people?

Hon. Mr. Carton: Yes.

Mr. Lewis: Right. By way of supplementary, has the minister any information on precisely how many strike-breakers are passing through the picket lines, their various ages, and the jobs that they are now occupying?

Hon. Mr. Carton: No; Mr. Speaker, the only information I have is what I have read in the press, and that has been a varying figure of anywhere from 50 to 100 to 150. I am not personally aware of how many are involved, but this will come out, I suggest, tomorrow at the meeting.

Mr. Speaker: A supplementary?

Mr. Pilkey: Yes, Mr. Speaker, a supplementary: Could the minister tell us whether Canadian Driver Pool Limited is involved in this strike?

Hon. Mr. Carton: No, Mr. Speaker.

Mr. Pilkey: Then a further supplementary, Mr. Speaker: Would the Minister of Labour investigate to find out whether Driver Pool Limited is involved in this strike?

Hon. Mr. Carton: Yes; Mr. Speaker, I will take whatever steps I can. I might mention to the hon. member and to his leader in connection with this particular company that we have been investigating it to the best of our ability all week. For your information, we did turn over part of the investigation to the OPP with respect to the security guard part and whether or not they have a licence, and in fact they do not.

I might mention, too, that this company was incorporated only in July or August of 1970, so when they make claims that they have been connected with, or involved in, several strikes over the past two or three years, I think this again is fantasy, but we are carrying on with our investigations.

Mr. Pilkey: Could they have been involved before, illegally?

Mr. Lewis: By way of supplementary, which relates to this Mr. Speaker—you may judge it a new question if you wish, sir—this is a company which, apparently, it is now ascertained was operating illegally, by way of the security guard aspect of its operation?

Hon. Mr. Carton: No, Mr. Speaker. In the letter that was read they claimed that they could provide these services.

Mr. Lewis: But they are not licensed to do so?

Hon. Mr. Carton: They are not licensed to do it.

Mr. Lewis: And your investigation of them has not yet assessed which labour disputes they were involved in in southern Ontario and whether or not they are now involved in AP Parts?

Hon. Mr. Carton: No, Mr. Speaker, we are still carrying on this part of the investigation; but again I point out that they have only been in existence for about six or seven months.

LEGISLATION ON BRANCH PLANT LAYOFFS

Mr. Lewis: A further question of a different kind, Mr. Speaker, of the Minister of Labour: Since he indicated that roughly three-quarters of the plants or jobs involved in branch plant layoffs and shutdowns were in subsidiaries of foreign firms, is the minister thinking of introducing legislation in his area parallel to that introduced by the government in relation to book distributing?

Hon. Mr. Carton: No, Mr. Speaker.

Mr. Lewis: Does the Minister of Labour not think there is a sufficient parallel here so that if, in one instance, the government asks for 75 per cent Canadian control, that in another instance, in the manufacturing sector, where men are actually losing their jobs, parallel legislation should apply?

Hon. Mr. Carton: No, Mr. Speaker. I might point out that this particular matter was fully documented in the committee last week. I would point out that of the companies which were involved, the balance were Canadian companies, so there is nothing in particular about a subsidiary company which makes it close or partially close, any more than any other company, be it Canadian or be it American or any other nationality.

Mr. Pilkey: Further supplementary, Mr. Speaker: On what figures did the minister make that assessment?

Hon. Mr. Carton: On the figures that were given last week in the committee.

Mr. Speaker: Has the member for Downsview a supplementary?

Mr. Singer: No, I have a new question for a minister who was not here before.

Mr. Speaker: The member for Brantford has a supplementary?

Mr. Makarchuk: Is the minister aware the figures that were given last week indicated that about three times as many employees were laid off by American corporations in comparison to Canadian corporations, and the ratio of companies was about two to one, American versus Canadian?

Hon. Mr. Carton: Sixty-five to 67 per cent were other than Canadians companies, right.

Mr. Makarchuk: By way of supplementary, that means 33 per cent of the employers were Canadian, and 67 per cent were working for American corporations; a ratio of two to one.

Mr. Simonett: Some of the member's friends there in the front seat, would be laid off by American corporations.

Hon. Mr. Carton: That could be, Mr. Speaker, but bear in mind—and this again is an underlying basis to this whole discussion—out of 2,000 or 2,100 that were documented, according to our estimates there were only 600, to 700 who had not yet been re-employed; so we are talking about a figure of 600 to 700.

Mr. Speaker: Has the member for Scarborough West further questions?

RATE INCREASE BY UNION GAS

Mr. Lewis: Yes, I have further questions. First, a question of the Minister of Energy and Resources Management: Will the bid to increase rates on the part of Union Gas have to come before the Energy Board of Ontario?

Hon. G. A. Kerr (Minister of Energy and Resources Management): Mr. Speaker, I believe that any move or increase in rates by the gas suppliers has to go before the Energy Board, yes.

Mr. Lewis: Will the government of Ontario be making representation to that board on behalf of the consumers of the province?

Hon. Mr. Kerr: First of all, the member realizes his question is directed to the wrong minister.

Mr. Lewis: Well, all right, I can ask it of the Minister of Mines and Northern Affairs. Will the Minister of Mines and Northern Affairs have departmental representation at the Energy Board when Union Gas requests its increase?

Hon. L. Bernier (Minister of Mines and Northern Affairs): Mr. Speaker, I would inform the House that we will have legal counsel at the hearings only as observers.

Mr. Lewis: As observers.

Mr. Makarchuk: By way of supplementary question, will the minister insist that the return granted to Union Gas be on par with that which is granted to other public utility companies or companies such as Bell Canada?

Hon. Mr. Bernier: I did not get the question.

Mr. Makarchuk: Will the minister ensure that the rate or return on investment that Union Gas will receive is on a par with or parallel to the returns received by Bell Canada?

Hon. Mr. Bernier: I think the hon. member well knows that I certainly cannot do that.

Mr. Makarchuk: By way of further supplementary, is the minister aware that the natural gas companies, as a result of statements by his own officials, are receiving twice as much as Bell Canada? In other words they are getting 12 per cent to 14 per cent return on their investments.

Hon. Mr. Bernier: I am aware of that statement, Mr. Speaker, yes.

Mr. Speaker: The member for Scarborough West.

ONTARIO PLACE JANITORIAL CONTRACT

Mr. Lewis: Yes, a question of the Minister of Public Works: Would he permit the letting of the contract to clean Ontario Place, and the manner of the letting of that contract, to come before one of the legislative committees of this House for full perusal

examination and inquiry, in view of the articles that have appeared under Ron Haggart's byline in the Toronto Telegram?

Hon. Mr. Auld: Mr. Speaker, I intend to make a full statement about the cleaning contract for Ontario Place at the beginning of the week. I might say that it is a somewhat complex matter and I am trying to get all the material together. There are some errors in Mr. Haggart's column, which I have read, and—

Mr. Shulman: There are some errors in the minister's department. He just does not believe in the tender system because he does not get appropriate donations that way.

Hon. Mr. Auld: —and I shall be making a full statement about it early in the week, Mr. Speaker.

Mr. Lewis: By way of supplementary, in light of the obvious fact that it is, to use the minister's word, complicated—the most charitable word that could be put on the face of the awarding of this contract—does he not think that this is a legitimate matter for inquiry before a legislative committee?

Interjections by hon. members.

Mr. Speaker: Order!

Mr. P. J. Yakabuski (Renfrew South): Let us get on with the business of the province.

Mr. Lewis: I point out that the Premier himself has referred practices of the Public Works department to a royal commission. We are merely asking for a legislative committee, and would request the minister that he perhaps include that in his statement to clear the air around the matter, which now causes some concern?

I did not get an answer on the first; I would not mind an answer on the supplementary. I am asking the minister whether he will refer it to a legislative committee?

Hon. Mr. Auld: I thought the supplementary included the suggestion that I make some reference to this request in the statement?

Mr. Lewis: Included in the statement?

Hon. Mr. Auld: I think, Mr. Speaker, when the hon. members have heard the statement then there can be further discussions if necessary.

Mr. Speaker: Any further questions?

Mr. Lewis: No, I will leave it there.

Mr. Speaker: The hon. member for Downsview.

CONFLICT OF INTEREST CHARGE AGAINST TORONTO ALDERMAN

Mr. Singer: I have a question of the Minister of Municipal Affairs, Mr. Speaker. In view of the charges of conflict of interest being levelled at one alderman of the city of Toronto council by another alderman, and in view of the defence of those charges made by the first alderman, would the minister not deem it appropriate that some form of inquiry be ordered by him in order to ascertain the validity, or lack of validity, of those charges?

Hon. J. W. Snow (Minister without Portfolio): Every day of the week the member wants an inquiry.

Hon. D. A. Bales (Minister of Municipal Affairs): Mr. Speaker, The Municipal Act—excuse my voice—imposes a burden on all elected officials, under section 198a, to disclose any interest, direct or indirect, in a matter before council. That certainly is an obligation on every elected person who comes under the Act and he should comply with it.

Of course, there may be occasions from time to time when a person becomes disqualified to serve. Under another section of the Act, there is provision whereby a realtor, who is a person who could be an elector, can apply to a judge. I think those matters quite properly should be dealt with by a judge, because of the impartiality of the judiciary in dealing with those matters, and he should determine whether a person is disqualified or not.

Mr. Singer: By way of supplementary, Mr. Speaker, would the minister not consider that he has the power under section 320 of the Act to order an inquiry? And should he not proceed under the powers given in this section?

Hon. Mr. Bales: Mr. Speaker, section 320 relates to commissions of inquiry. That section is really related to different types of matter, and to me it is most important that matter of disqualification of elected officials should be dealt with impartially and fully. I think it can best be dealt with by the judiciary in the normal procedure.

However, the member has suggested section 320. I think it is directed to other purposes, but I will look at it in that sense.

Mr. Singer: By way of further supplementary, Mr. Speaker, does the minister really consider it fair, since a matter such as this has received considerable publicity, that a further inquiry into it should be at the behest of a so-called relator rather than at the higher level of government represented by the Minister of Municipal Affairs?

Hon. Mr. Bales: If it was going to be in the Minister of Municipal Affairs' responsibility, recognizing that there are some 900 municipalities in this province I think we would continually be faced with dealing with matters of that nature. I think the present way it is dealt with, both before the Supreme Court and the county court throughout the province, would perhaps be more expeditious and fair considering the diversity of the areas in the province.

On the other matter of the relator having to put up a sum of money, it is not a large sum but I recognize there might be some difficulty.

Mr. Singer: But that money is only a security.

Hon. Mr. Bales: It is only a security; it could be returned.

Mr. Singer: Costs could be awarded against the party—

Mr. Speaker: Order. If the hon. member for Downsview wishes, in due course, he may have the floor. The minister now has the floor.

Hon. Mr. Bales: It could be awarded against him; yes. But I would doubt it would be awarded against him if there was validity to his claim.

Mr. Speaker: A supplementary? The member for Peterborough.

OISE STUDY ON PREJUDICE IN TEXTBOOKS

Mr. Pitman: Mr. Speaker, I wonder if I could direct a question to the Minister of Education? In view of the news reports of a particular publication which came from the Ontario Institute of Studies in Education, indicating that certain groups in our society are badly misrepresented in some of

the textbooks that are used in the classrooms of this province, such as the fact that teachers can actually be accused of teaching prejudice, I am wondering what steps the minister intends to take as a result of this study?

Hon. R. Welch (Minister of Education): Mr. Speaker, this report to which reference was made was one commissioned by the Ontario Human Rights Commission in co-operation with the Ontario Institute for Studies in Education, and the report was released yesterday or the day before. I now have the benefit of going through this report and I want to have some time to study it and the implications of the report.

I should perhaps indicate to this particular member and other members of the House that the department has not been waiting for this report without doing its own evaluation. We have completed an analysis of all of the books listed in Circular 14—over 1,500 titles on that circular—and I now have the benefit of that particular report, too. In fact, for the last 12 or 18 months we have been, as a result of the departmental evaluation, inviting representatives of the native peoples' groups and minority groups referred to in new books introduced for our consideration by publishers to join the evaluation committee to give us the benefit of their opinions with respect to the titles.

In the summary of the report as published by OISE, there are some recommendations and I want to study the practicality of some of those. It is a very helpful study. I think the title is a bit unfortunate because it would try to suggest that we are deliberately teaching prejudice and I am sure that no one wants to convey that impression.

One of the helpful aspects of the report, as I understand it at this stage, is that it does provide some type of an objective system of evaluation for making some determinations in this area. I think this is very helpful, very positive and very constructive. We are faced with the fact that really for the past 18 months we have been approaching new publications from this point of view. The questions now are what will publishers do now that they have been notified with respect to the revisions in those books which are still on Circular 14 and were approved prior to this new procedure by the department.

I sum up by saying that I think this report will be helpful. We have been acting in a

very positive way in this area ourselves for the last 18 months. I would want to go into this in some detail and discuss it with a number of people including my colleague, the Minister of Citizenship who has responsibilities in the House in some of these areas as well. Perhaps by the time we get to the estimates of this department in the committee I might have something further to share with you and the members at that time.

Mr. Pitman: A supplementary, Mr. Speaker: I wonder if I could ask the minister whether it is in fact true that the departmental study corroborates the statements made in that OISE publication; and whether the minister would not consider referring all the old textbooks to the minority groups and native people's organizations; and finally, whether he would not think it would be incumbent upon him as minister to see that some errata sheets are included in any books that go out to the schools for the coming fall, at least indicating the sections of those books where in a sense there may be prejudice expressed, either inadvertently or through any other reason?

Hon. Mr. Welch: I think, to answer the supplementary questions in the order they were asked; in the first place, a more expansive study by the department does indicate evidence of bias by today's standards, as approached by this new procedure which we have been using. There is no question that this changes from time to time, depending on public attitudes to various matters; by today's standards, there is evidence of bias.

Secondly, the question of the errata sheets concerns me just a bit, and there are some practical implications here once again. I am wondering if this matter—and I wonder out loud—is not best left to the good judgement of teachers and students. We have to rely on the fact that there must be some responsibility and I know very responsible people who are connected with it. Having said that I have forgotten—that is the first and the third; I have forgotten the second one.

Mr. Pitman: The reference of the old books to those minority groups or organizations representing minority groups.

Hon. Mr. Welch: I think with reference to that the publishers have been advised both with respect of the study that you are referring to and our own study. It would be our hope that the publishers, armed as they are now with this information, might make some effort themselves to have these particular

sections reviewed by representatives of these groups and certainly by the time they are ready for some revisions.

I am very anxious that we clearly understand the role of the department, with respect to this whole question of books that get on the approved list, that we are not ourselves the publisher and we are not ourselves censors. We have some responsibility in connection with procedures which we follow to evaluate books before they, in fact, go on the list. Those deemed by the review committee to have some shortcomings, if this is one of them, the books are in fact not approved and the publishers are told why.

So it is a case of whether or not, having started 18 months ago, we will in fact have a system now to cover this situation. We will look after those older books as publishers present their revisions to us and do it in an evolutionary rather than in a dramatic way, which, of course, is the manner I want to think about in connection with the study of the report.

Mr. Speaker: The member for Scarborough East. The member for Peterborough had said "finally" and that meant that was the last of his questions.

The member for Scarborough East.

Mr. T. Reid: A supplementary question—

An hon. member: That is a bad word.

Mr. T. Reid: Did the minister's examination of the question of prejudice in the curriculum include the issue of prejudice against persons of the female gender, unlike the OISE report which specifically excluded the issue of discrimination against women in the school curriculum?

Hon. Mr. Welch: I must be very honest and say that I cannot answer that question as accurately as I would like to, because as I read the study, I read no evidence along that particular line. I do know that our approach, going through the 1,500 titles or so that are now part of Circular 14, was done from the standpoint of bias and I think it would be that type of bias directed to our native people or minority ethnic groups.

I cannot specifically say that the committee had in mind the particular subject matter to which you make reference, but I will make it my business to expand on that statement for you or have that information for our estimates.

Mr. T. Reid: Is the minister aware of the many recommendations in the royal commission on the status of women pertaining to prejudice in the curriculum in the schools across Canada?

Hon. Mr. Welch: Mr. Speaker, I am, and I would only say that I have some responsibility to ensure the members that I am giving factual information in my answers. I would be very surprised to find that the subject matter to which the member makes reference is not in fact a concern in the evaluation of the books.

Mr. Speaker: The Minister of Financial and Commercial Affairs has the reply to a question asked the other day.

CHARTER FOR GOVERNMENT EMPLOYEE ORGANIZATION

Hon. Mr. Wishart: Thank you, Mr. Speaker. The member for Wellington South (Mr. Worton) asked a question on May 13 as follows:

Mr. Speaker, I have a question of the Minister of Financial and Commercial Affairs. Could he inform the House as to the reason for the delay in issuing a charter to the Ontario Government Employees Organization?

My answer is that originally the issue of a charter was not proceeded with, pending the passing of legislation dealing with collective bargaining. That legislation was given first reading last year, but the bill was allowed to die on the order paper last year and such legislation has not yet been re-introduced in this session.

In addition to that, Mr. Speaker, I can inform the hon. member that the companies branch is proceeding to deal with the solicitors who represent the organization and at least two items which are to be worked out are presently under discussion. Firstly, with respect to the name, we find it may be necessary to make some change since the present name could be interpreted as an Ontario government operation; and secondly, the objects which are set forth in the application in some of their areas would appear to be in conflict with The Public Service Act and The Public Service Superannuation Act. The companies branch is dealing with that.

Mr. Speaker: The Minister of Transportation and Communications has the answer to a question asked the other day.

REMOVAL OF HIGHWAY SIGNS

Hon. Mr. MacNaughton: Thank you, Mr. Speaker. The question was asked on June 7, by the hon. member for York Centre (Mr. Deacon). He is not in his seat but I shall proceed with the answer. The question was:

Why did The Department of Highways officials, or The Department of Transportation and Communications officials, remove the sign recently erected by the town of Markham at its boundaries on Highway 48 and on another provincial highway?

The answer, Mr. Speaker, is that with the creation of regional municipalities the department was concerned with the effect any change in highway signing would have on the travelling public. A detailed review resulted in the policy that the limits of a regional municipality could be identified, but the identification of the large semi-rural municipalities within the region could not be justified.

The policy adopted was on the basis that the majority of motorists were destined for the high population areas, which in turn coincided with the highway directional signs. In this respect, the department would retain the identification of the old municipalities and forgo any identification of the new municipalities at this time.

In the case of the town of Markham, signs were illegally erected on the highway right-of-way by the municipality. The department did not have any record of any request of the municipality, either for permission to erect the signs, or to have the department erect them. When the signs were noticed the municipality was contacted. The department's policy was explained in detail and the municipality was requested to remove the signs. The signs were not removed, and therefore the department proceeded to take down the signs and return them to the municipal yard. It is my understanding that the town of Markham is now considering erection of field advertising signs.

Mr. Speaker: The hon. member for High Park.

COTTAGE OVERDEVELOPMENT AT BOBS LAKE

Mr. Shulman: A question of the Minister of Municipal Affairs, Mr. Speaker: What action has his department taken as a result of the letter which was sent to him by The Department of Lands and Forests on Septem-

ber 11 last, complaining that Bobs Lake in Frontenac county was being destroyed both as to flora and fauna because he was allowing too many cottages to be developed on the lake?

Hon. Mr. Bales: Mr. Speaker, I am sure the hon. member appreciates that the letter has not come to my attention, but I will be glad to look into it, and I will get the answer.

Mr. E. W. Sopha (Sudbury): Who gets the letter ahead of the minister?

Hon. Mr. Bales: Mr. Speaker, I thought he said "September last."

Mr. Shulman: September last.

Hon. Mr. Bales: September last year; naturally I would not have received it.

Mr. Speaker: The hon. member for Perth.

POLLUTION OF MAITLAND RIVER

Mr. H. Edighoffer (Perth): A question of the Minister of Energy and Resources Management: Would the minister advise if the Ontario Water Resources Commission considered fencing and signing the Maitland River from the Listowel lagoon system to Brussels because of the pollution in the river caused by the extension work to the lagoon system?

Hon. Mr. Kerr: I am not sure, Mr. Speaker, what benefit would result from such signing. The hon. member is implying that because of that extension this is some loss from the existing settling basins? Is that what the hon. member is saying?

Mr. Edighoffer: Mr. Speaker, I am saying to the minister that—

Mr. Speaker: Perhaps the hon. member would ask the minister a question rather than saying something to him.

Mr. Edighoffer: All right, I will ask the minister if the Ontario Water Resources Commission gave notification or suggested that one cell of the lagoon be emptied after the above-normal spring flow had subsided and therefore created pollution; and from this did the commission consider fencing and signing that area of the river?

Hon. Mr. Kerr: Mr. Speaker, I am not aware that the commission did give this particular permission. I will have to look into it and report to him.

Mr. Speaker: The hon. Minister of Lands and Forests has a reply to a question.

TRAFFICKING IN COMMERCIAL FISHING LICENCES

Hon. R. Brunelle (Minister of Lands and Forests): Mr. Speaker, on Tuesday the hon. member for Brantford asked me a question with reference to the transfer of commercial fishing licences.

Commercial fishing licences may not be sold or bartered. Licences are issued by The Department of Lands and Forests and may be transferred only by the issuer. Fishermen may negotiate for a licence transfer and then, if they agree, complete a "request for transfer" form. In this form is shown all capital equipment such as boats, nets, docks, or other fishing equipment, which will be sold if the licence is transferred.

The amount to be paid for the equipment is also shown. Transfers are not made if the value of the equipment is not in line with the amount being offered for it.

A fisherman may also at time find it to his advantage to lease or charter a fishing vessel to carry out his business of fishing. Under these circumstances the licensee continues to exercise his privilege of fishing. He is not limited as to whom he employs to work for him.

In the interests of good management of the fish resource we find we can seldom issue new licences. Licences which are not used during a two-year period are not renewed.

At present there is considerable interest among fisherman in moving to other fishing locations. This results from the need of finding areas where fish are less apt to have unaccepted mercury levels. A programme under the Ontario Development Corporation is designed to help fishermen to accomplish this restructuring and relocating of their fisheries.

Mr. Makarchuk: A supplementary question: Did I understand correctly from the minister that his department will scrutinize closely the transfer of the licences when equipment is involved because there are indications that the prices charged are overinflated in comparison to what the real cost of the equipment is?

Hon. Mr. Brunelle: Right, Mr. Speaker, as I indicated there is an application from where the details have to be shown and we

only approve if we think that the prices are right.

Mr. Speaker: The oral question period, as extended, has now expired.

Petitions.

Presenting reports.

Hon. Mr. Yaremko presented the 1970 annual report of the Ontario Department of Municipal Affairs.

Mr. Speaker: Motions.

Introduction of bills.

CONSERVATION, PROTECTION AND PROPAGATION OF FAUNA AND FLORA

Hon. Mr. Brunelle moves first reading of bill intituled, An Act to provide for the Conservation, Protection and Propagation of Species of Fauna and Flora that are Threatened with Extinction.

Motion agreed to; first reading of the bill.

Hon. Mr. Brunelle: Mr. Speaker, with the indulgence of the House I would like to make a few more remarks than I usually make at this time.

In introducing a bill entitled The Endangered Species Act, 1971, I would like to say that Ontario is providing leadership in this kind of legislation in Canada, since I believe that no other province has similar legislation.

With an increasing human population and changing land use patterns, as well as the application of technology, changes are taking place in our environment sometimes at a rate which is much greater than any of us appreciate or understand. We use chemicals to achieve certain purposes and we produce effluents which pollute our environment. As a result, a number of species of animals or birds and indeed plants which formerly occurred in Ontario have either disappeared or been reduced to such critically low levels that they are in danger of disappearing.

It is of the greatest importance that we have a means to preserve the species which remain but which we now know to be at low population levels. The most notable example as far as Ontario is concerned, is the peregrine falcon which is not only endangered in this province but over vast areas of the world. In proposing this legislation, I am concerned not only about species

such as the falcon, which is now reduced to a few nesting pairs, but also I am concerned about species which are rare in Ontario although they may be most abundant in other areas.

I feel we have a responsibility to our people to maintain small populations of presently existing animals, birds or plants, so that the educational, cultural, and recreational experience of those who are interested in natural things will not be impaired. I could cite as examples the badger, which is exceedingly rare in Ontario, and a species of clouded yellow butterfly, scientifically known as *Pieris virginianum* which is found apparently in only one part of Ontario, namely the Britton tract in the Hespeler district, although it is common southwards from here in the United States.

I must express concern for the welfare of such fish-eating birds as the double-crested cormorant, which has declined in numbers in recent years. I would also have to include the golden eagle and the bald eagle, both of which appear to be found in much smaller numbers than formerly.

There is no suggestion that these animals and birds are necessarily reduced in numbers as the result of exploitation, but there is certainly evidence in the case of such birds as the cormorant, bald eagle, and peregrine falcon that chlorinated hydrocarbon pesticides, for example DDT, have contributed to their decline.

While steps have been taken in Ontario which have resulted in substantially limited use of this type of pesticide, and a public conscience is developing throughout the world in respect of the use of some chemicals, it is essential that we do everything possible to preserve the limited stock of certain species which are left to us, in the hope that controlled and careful use of chemicals and essential steps to improve our environment will result in the preservation and increase of species which at this point are actually endangered or are on the verge of this status.

Mr. Shulman: What does the minister do when The Department of Municipal Affairs does not co-operate?

Hon. Mr. Wishart: Mr. Speaker, before the orders of the day I think I should make some comment about what I announced as the order of the day yesterday, which might be helpful to the members of the House.

I have indicated that the estimates of The Department of Tourism and Information would continue and that we would hope for an opportunity to do second reading of those particular bills which stand in the name of the Prime Minister. I indicated that if the Attorney General were here—as I thought he might be—we might get to those.

The Attorney General has not returned. As far as I have been able to ascertain, he will not be in the House. So, for the benefit of members of the House, the order would be that we would continue with the estimates of The Department of Tourism and Information and if they conclude, go to budget debate tonight, and this could be continued tomorrow.

I would like to ask the House to vary that slightly. There are four bills—the first four items on the order paper—which are just for third reading. They had a very good discussion in the Committee of the Whole. The Lieutenant Governor has been good enough to indicate that he would stand by to give them royal assent and I expect that he will be standing by at once.

Mr. Singer: First four? Five?

Hon. Mr. Wishart: No, the first four. The fifth one is not yet ready for third reading, at least I have asked to defer it.

The order of the day then, Mr. Speaker, would be third reading on those first four items, then the estimates of—

Mr. Singer: Mr. Speaker, on a point of—I do not know—a point of information: Does the House leader then mean there will be no bills either today or Friday?

Hon. Mr. Wishart: That is right, Mr. Speaker. Perhaps I should have mentioned that I understood the committee arrangements have been made with the whips of the parties; that the estimates of Labour are concluding I believe, that Transportation and Communications which is to follow Labour, will not commence until Monday. The committee will not be sitting.

And I would anticipate The Department of Municipal Affairs' estimates will be in the House on Monday as soon as—

Mr. Singer: As soon as the minister gets his voice back.

Hon. Mr. Wishart: So Mr. Speaker, the orders of the day begin with order 1.

Mr. Speaker: Orders of the day.

THIRD READINGS

The following bills were given third reading upon motion:

Bill 43, An Act to amend The Crown Timber Act.

Bill 48, An Act to amend The Corporations Act, 1966.

Bill 52, An Act to amend The Business Corporations Act, 1970.

Bill 57, The Corporations Information Act, 1971.

Bill Pr32, An Act respecting the City of Windsor.

Hon. A. A. Wishart (Minister of Financial and Commercial Affairs): Mr. Speaker, the Lieutenant Governor is standing by for royal assent.

The Honourable the Lieutenant Governor of Ontario entered the chamber of the legislative assembly and took his seat upon the throne.

Hon. W. Ross Macdonald (Lieutenant Governor): Pray be seated.

Mr. Speaker: May it please Your Honour, the legislative assembly of the province has, at its present sittings thereof, passed certain bills to which, in the name of and on behalf of the said legislative assembly, I respectfully request Your Honour's assent.

The Clerk Assistant: The following are the titles of the bills to which Your Honour's assent is prayed:

Bill 43, An Act to amend The Crown Timber Act.

Bill 47, An Act to amend The Consumer Protection Act, 1966.

Bill 48, An Act to amend The Corporations Act.

Bill 52, An Act to amend The Business Corporations Act, 1970.

Bill 57, The Corporations Information Act, 1971.

Bill 58, An Act to amend The Crop Insurance Act (Ontario).

Bill 59, An Act to License and Regulate Fur Farms.

Bill 60, An Act to amend The Game and Fish Act, 1961-1962.

Bill Pr1, An Act respecting the City of Brantford.

Bill Pr2, An Act respecting Protestant Children's Homes.

Bill Pr3, An Act respecting The Thunder Bay Foundation.

Bill Pr4, An Act respecting Huntington University.

Bill Pr6, An Act respecting Reliable Plastering Limited.

Bill Pr8, An Act respecting Brook University.

Bill Pr9, An Act respecting the Society of Industrial Accountants of Ontario.

Bill Pr10, An Act respecting Zurich Life Insurance Company of Canada.

Bill Pr11, An Act respecting the Town of Mississauga.

Bill Pr13, An Act respecting Hillbrook Investments Limited.

Bill Pr14, An Act respecting the City of Ottawa.

Bill Pr15, An Act respecting The Abbey Life Insurance Company of Canada.

Bill Pr16, An Act respecting the City of London.

Bill Pr17, An Act respecting Kedar Mines Limited.

Bill Pr18, An Act respecting the City of Sault Ste. Marie.

Bill Pr19, An Act respecting the City of Hamilton.

Bill Pr20, An Act respecting the City of Woodstock.

Bill Pr21, An Act respecting Triangle Swine Enterprises Limited.

Bill Pr22, An Act respecting Timothy Investments Limited.

Bill Pr23, An Act respecting Cadmus Associates Limited.

Bill Pr24, An Act respecting the City of Sudbury.

Bill Pr25, An Act respecting the City of North Bay.

Bill Pr26, An Act respecting the City of Guelph.

Bill Pr27, An Act respecting the City of Cornwall.

Bill Pr28, An Act respecting the City of Barrie.

Bill Pr32, An Act respecting the City of Windsor.

Bill Pr34, An Act respecting the Village of Wasaga Beach.

Bill Pr36, An Act respecting the Township of Pelee.

Bill Pr38, An Act respecting the Guelph General Hospital.

Bill Pr39, An Act respecting the City of Peterborough.

Clerk of the House: In Her Majesty's name, the Honourable the Lieutenant Governor doth assent to these bills.

The Honourable the Lieutenant Governor was pleased to retire from the chamber.

Clerk of the House: The 26th order, House in committee of supply; Mr. R. D. Rowe in the chair.

ESTIMATES, DEPARTMENT OF TOURISM AND INFORMATION (concluded)

On vote 2102:

Mr. Chairman: The estimates of The Department of Tourism and Information. Vote 2102, page 284. Are there further comments on vote 2102? The member for Perth.

On vote 2102:

Mr. H. Edighoffer (Perth): Mr. Chairman, I would just like to refer back to the comments I made in my opening remarks. I posed one question in particular to the minister. I was referring to a speech made in the mid-western region in 1970 when it was stated, "It is our view that some of the communities may be better off in the long run to get out of the competitive race and turn to the leisure industry, tourism."

Now in this speech, the speaker was referring to the municipality spending its money and using it only for promoting tourism. I am just wondering if the department has any policy whereby they suggest to municipalities to continue under this practice.

Hon. F. Guindon (Minister of Tourism and Information): Mr. Chairman, I think the hon. member is referring to a speech made by one of our senior officials, asking municipalities to take just as much interest in tourism as our tourist council.

Mr. Edighoffer: I am referring to that speech, but the speech said that "in our view some communities may be better off in the long run to get out of the competitive race"—referring to competition in industry—to forget that and come back just only to tourism. I am just wondering if the department has suggested to any particular municipality to forget industry and concentrate on tourism.

Hon. Mr. Guindon: No, Mr. Chairman, we have not suggested anything to anyone as yet. Not as yet.

Mr. Chairman: On vote 2102, the member for Thunder Bay.

Mr. J. E. Stokes (Thunder Bay): Yes, Mr. Chairman, I have several matters I would like to raise with the minister.

When we adjourned on Tuesday evening he had not had an opportunity to tell me how much money was going to be expended on the restoration of Old Fort William. He did indicate privately that there was \$1 million in vote 2 for this purpose.

Since the ultimate cost of the restoration of the fort is estimated to run anywhere from \$8 million to \$13 million, depending on who you are talking to, I am wondering if the minister could break down for me what the \$1 million in these estimates will go toward in this fiscal year. Also, how much will it cost to acquire the site at Pointe de Meuron, whether there is any money to purchase the original site from the Canadian Pacific Railway if the negotiations that are going on at the present time might be successful. Could he just bring us up to date on what the plans are for Old Fort William for this fiscal year?

Hon. Mr. Guindon: Yes, Mr. Chairman, the hon. member will find in item 3 of vote 2102, where the total amount is \$1,573,000, that there is \$1,020,000 earmarked for reconstruction of Fort William. The cost of the site at Pointe de Meuron is \$135,000. In the \$1 million and more earmarked for Fort William we include, of course, the water services and the construction of some four buildings for the first year. As to the original site, it is very hypothetical, of course, because there was never any amount of money or figures given to us as to cost, had the site been available.

Mr. Stokes: Is it right to assume then that for all practical purposes you have discounted or disregarded the possibilities of acquiring the old site and that you are prepared and actually going ahead with restoration of the fort at Pointe de Meuron at this time?

Hon. Mr. Guindon: Yes, Mr. Chairman, the hon. member is quite right, and I wish he would tell the people of Thunder Bay that I think I have fought a really hard battle for them. As you will recall, I believe we met in May with some citizens' groups, historians on the city council and other people at which

time I had promised to go back to CP Rail to fight for the case of those people who wanted the fort on the original site. I did; I met with the vice-president, and we did everything we could to see if it could be made available. There was no question of money and the reply, as I have tabled in a letter to the leader of your party, was negative in my mind. I also got in touch with the federal Department of Transport, but I still have had no reply.

For all intents and purposes, I think it is a must that we should go ahead at Pointe de Meuron.

Mr. Stokes: Well, how will the fort be operated? You indicate that you will be constructing four buildings this summer and conceivably by 1972 it could be partially in operation. How do you plan to operate the fort? Are you going to set up a special committee to do this or will it be somebody from The Department of Lands and Forests? Will it be operated by a local group in the city of Thunder Bay? Just how do you propose to operate it? You would not set up a separate commission like the St. Lawrence Parks Commission for Upper Canada Village, would you, or how would you do it?

Hon. Mr. Guindon: No Mr. Chairman, for the present time anyway we think the historical parks branch of our department should operate it.

Mr. Stokes: And any concessions will be put out on a bid basis and everybody will be given an opportunity to bid on it? Ancillary to that, I am wondering if you are constructing the site in such a way that native people in the area will be given an opportunity to participate with their cultural endeavours. As you well know, there are two or three groups of native people up there, some of them status Indians from the Mission Reserve in the city of Thunder Bay. Then there are two or three other groups—one is the Indian Friendship Centre in Port Arthur ward and another is the Wikwedong cultural group—who have indicated to you they are anxious to establish a project. I am wondering if there are any provisions being made early in the formative stages of this plan to allow them to participate?

Hon. Mr. Guindon: Yes Mr. Chairman, it is our intention naturally to get in touch with those groups and as much as possible to use local help and to have the participation of local people including, of course, many

of the Indians in the area who can be helpful during the construction period at the fort.

With reference to the calling of tenders, for the concessions, we have no policy set as yet, but I would think we would follow a general policy of government in calling tenders.

Mr. Stokes: I have a couple of other things dealing with promotion. One of them, I think, is deserving of some comment from the minister and has to do with mercury pollution as it affects a good many tourist operators in northwestern Ontario, particularly those in Wabigoon and the Winnipeg River chain. It was indicated by NOTOA, and the president of that time, Leo Shapiro. He said:

As I understand the facts, the source of this pollution has been clearly pinpointed and it is my personal feeling that the government should force the polluter to buy out for cash any camp which has been caused to close or restrict their operations, and the price should be set at a liberal appraisal based on today's inflated values and costs, as well as a fair capitalization of the camp's provable average income for the past few years.

Now in connection with that the Minister of Mines and Northern Affairs did speak to NOTOA early this year. We did indicate that anything further with regard to posting of signs to indicate to the public that certain areas were contaminated would not be perpetuated this year. That is, that the signs that were up last year would be taken down. I would like to quote something the Minister of Tourism's colleague, the Minister of Mines and Northern Affairs said in that regard:

The fish-for-fun signs that many of you have found objectionable will not be posted this spring. The Minister of Lands and Forests has assured me that the cabinet agrees on a policy of no signs; that no signs will be posted until the cabinet agree on a policy and there are no immediate prospects that these signs will be replaced.

He also said:

I think it is important to realize that one of the serious problems camp owners are experiencing now results more from over-reaction last year than from the actual effects of mercury contamination.

I am sure the minister must be well aware of any action that has been taken by the cabinet in regard to this.

Does the minister himself feel that the bulletins that are put out from time to time apprising the public as to contamination in certain lakes—whether it be from natural or whether it be from industrial causes—does the minister feel that it is quite safe for people to go out and fish and to eat these fish without and danger to human health? I am sure there a good many people who go into the forests and fish in our lakes and streams who are not aware that there are a good many lakes that are contaminated well beyond the point of five parts per million.

Has he assured himself and the people of Ontario that there is really no hazard at all and that it is not necessary to post signs in areas where the tolerable limits exceeded even through industrial or—and I see his colleague, the Minister of Lands and Forests (Mr. Brunelle), is handing out this booklet. I am just wondering how many people who are going to fish in our lakes and streams have a copy of that bulletin or even know that it exists.

Hon. R. Brunelle (Minister of Lands and Forests): They are available in Lands and Forests offices and many other places.

Mr. Stokes: Yes; I can appreciate that these are available, but I am also cognizant of the fact that a good many people do not even know they exist. I am just wondering if I might elicit an answer from the Minister of Tourism and Information as to whether he feels that there is really no health hazard. It really does not matter whether everybody has a copy of that pamphlet that his colleague refers to.

Hon. Mr. Guindon: Mr. Chairman, I would be the last one to be an expert on this matter. This should come from The Department of Health as far as the content of mercury in fish is concerned.

Mr. Stokes: It comes from Lands and Forests, though, not from Health.

Hon. Mr. Guindon: In consultation, I am sure, with The Department of Health, but, in any event, as Minister of Tourism, I—

Mr. Stokes: And "Dr." Brunelle!

Hon. Mr. Guindon: —am certainly interested in the comments made by the hon. member, particularly the signs to which he referred—Fish for Fun. I am informed that these signs are nearly all gone or are disappearing now. We find in our department that we did not receive many complaints

from the tourist operators this year. It looks as if the tourist industry in northwestern Ontario is picking up a great deal of business compared to last year. I remember when I was in Minneapolis a couple of months ago attending a sportsmen's show that the bookings were much heavier for 1971 than 1970.

Mr. Stokes: Does the minister not agree, then, that maybe we were a little bit trigger-happy in putting out these signs in the first place and brought a lot of adverse criticism. I know friends of mine who have been in the Chicago area have stated that certain restaurants down there have put signs up in their windows saying, "We do not buy Canadian fish." I think there was a great deal of overkill in our apprehension about the mercury pollution. I am wondering if now it is not time to say, "Well, we have assessed the situation and it really is not as dangerous as we formerly thought it was." I think a statement from this government and from this minister would allay the fears of a good many people who would love to get into our most productive lakes and streams and catch the fish and be assured that they will be able to eat them without any undue hazard to health.

I am just wondering if he would consult with his colleagues, the Ministers of Lands and Forests, Energy and Resources Management (Mr. Kerr) and Health (Mr. A. B. R. Lawrence), and the federal authorities, and perhaps increase the tolerable limits, say, to one part per million as many other countries have done, I think Sweden has. I have not heard of anybody since the Japanese incident who actually became ill as a result of eating too many fish which were exposed to mercury contamination. So I hope he will, along with his colleagues, see that this is done.

Before sitting down, Mr. Chairman, I would like to get into another aspect that has to do with promotion. I would like to refer the minister to an article that appeared yesterday in the *Toronto Daily Star*. It was an editorial headed, *Plug or Prosecute*. I would like to quote from this article. It says:

When the government prosecutes one antique store for staying open Sundays, while giving free advertising to other antique markets that do the same, there must be something wonky about either the government or the law. In this case it is the law—The Lord's Day Act—that is at fault, as illustrated by the troubles of the Collectors' Corner in Scarborough.

The Collectors' Corner provides premises where collectors may gather and where dealers may display and sell their wares. Because it operates on weekends it has become a target for sabbath-law enforcers. Last week the proprietor, Harcourt Syms, was convicted of violating The Lord's Day Act and fined \$30. More damaging than the fine is the fact that he is now unable to advertise his Sunday sales (any newspaper, TV or radio station accepting his advertising would itself be guilty of an offence under the Act) and this may force him to close.

But while the provincial authorities may crack down relentlessly on Sunday antique markets in Scarborough, they take a very different attitude toward them in other parts of the province.

The Ontario Department of Tourism and Information publishes a booklet called "Ontario Events," for the guidance of tourists. In its summer 1970 edition, it recommends four antique markets—in Thornhill, Richmond Hill, Woodbridge and Aberfoyle—which are open on Sundays. Not only does the province not prosecute these establishments, it gives them free advertising.

This can only be described as rank discrimination in the administration of the law. The basic explanation for it lies in the nature of The Lord's Day Act itself. It is federal legislation passed in 1906 and it reflects the attitude of an earlier time; essentially it is an attempt to suppress all non-religious activities on Sunday which were not considered strictly necessary. Many of its original provisions have been modified by provincial legislation legalizing, for example, Sunday sports and movies.

I am wondering if the minister has seen this article, and if he is aware that prosecutions have been made under The Lord's Day Act. They are guilty of no more than conducting a business that the government advertises in its own publications. I think, as I read this, and if this interpretation of the law is accurate, The Department of Tourism and Information is in violation of this federal legislation. I am wondering if the minister is prepared to intervene on behalf of these people and see that justice is meted out in a just way.

Hon. Mr. Guindon: Mr. Chairman, I do not know. I have not read the article and I would hope that they would not send the minister to jail for such an offence.

Mr. Stokes: He might be in there with Borowski.

Hon. Mr. Guindon: No, I would be glad to look into it. I think this would be better controlled by municipal bylaw I suppose—by a municipality—but I would be glad to look into it and I will try to get a copy of this article.

If I know the interests of the hon. member, I think he would be glad to know that we are going to spend more money for the promotion of hunting next year, so this should again help our tourist industry in north-western Ontario.

Mr. Stokes: The minister is going to spend more money on which?

Hon. Mr. Guindon: On the promotion of fishing.

Mr. S. Farquhar (Algoma-Manitoulin): Mr. Chairman, I just wanted to mention that I recognize that the member for Perth in his opening remarks, mentioned the NOTOA resolutions and I am concerned about how they get their day in court as usual.

Every year since I have been here it seems to me that NOTOA has been in front of a standing committee and I was talking to the secretary-manager the other day who wondered just how to go about getting their day in court, as they usually do. If in fact there are resolutions already tabled and presented, do they make a request to attend the standing committee, or are they invited to the standing committees?

Hon. Mr. Guindon: No, this is a particular year, I remember. The meetings of the committee always, I think, take place during the Sportsmen's Show. This has been an agreement with the industry and with the department, as well as The Department of Lands and Forests, I believe.

What happened this year was that the House was not in session and the committee have not met, but it is the intention to do it in the years to come.

Mr. Farquhar: They will not be invited this year? In spite of the fact that we missed the Sportsmen's Show they will not be invited this year during this session?

Hon. Mr. Guindon: I do not think so, not by our department.

Mr. Chairman: The Minister of Lands and Forests.

Hon. Mr. Brunelle: Mr. Chairman, as far as matters relating to game and fish are concerned—to matters of The Department of Lands and Forests. If the representatives of NOTOA wish to see us, we would be glad to see them at any time.

Mr. Farquhar: That is the way it works. You do not invite them to a standing committee.

Hon. Mr. Brunelle: We can invite them or they can invite us.

Mr. Chairman: The member for Peterborough.

Mr. W. G. Pitman (Peterborough): Mr. Chairman, I wonder if I could ask the minister if he has found any of the statistical information which I asked for the other night, relating particularly to the number of jobs, and the increase in these jobs. I do not know if it is broken down, but what I am really looking for is the number of jobs in what could be called the private tourist sector. This does not include either The Department of Lands and Forests, the public parks, nor I would think, the hotel/motel kind of accommodation which perhaps a Holiday Inn would include.

I am trying to get some kind of an idea of what is happening to the private tourist sector of our economy in Ontario.

Hon. Mr. Guindon: Yes, Mr. Chairman, I have a statement prepared for the hon. member. I think he touched upon two questions. He also mentioned on that occasion the establishments offering the American plan, I believe. I have two statements here.

We have estimated that approximately 250,000 to 300,000 people are employed, both directly and indirectly, in the tourist industry in Ontario. It is virtually impossible to segregate a service business's sales into that portion stemming from tourism and that from local residents. The data base currently available is not detailed enough to permit accurate conclusions to be drawn from it.

The figure of 300,000 represents about 10 per cent of the average annual labour force, and any fluctuation in this percentage appears to be minimal from year to year, but would be dependent upon such variables as current economic conditions affecting employment, and also the balance of payments on the travel account between Ontario and other provinces and countries, to name a few.

Now, insofar as the establishments having or providing an American plan, we find that we did say there was a decline. A decline in the number of establishments offering an American plan is probably due to the changing habits of the travelling public, and, as an example, camping in the province over the last few years has increased in the order of about 10 to 15 per cent. This might have a reflection on that.

Mr. Pitman: Well, I was going to turn to something in that area. It would appear then that there is no real expansion in terms of employment. This is what I am wondering. How do we make the jump? We are talking now about a society in which tourism is really regarded very peripherally. Yet we act as though this industry is going to be able to cope with the kind of measure society needs, which those who are futurists are talking about every day.

I just do not know how you make this jump. For example, to talk to a community and say you are going to transfer your emphasis from industrial secondary industry towards tourism today is really suggesting that that community is going to stagnate. It just is not possible under the existing situation in the tourist industry in this province to say to any community, "Forget about secondary industry, or de-emphasize, or de-escalate a secondary industry; now you are going to take to tourism."

What it really means to that community is a number of things. It means, first, they are not going to be able to pay for their civic services very effectively; that is, they can expect a de-escalation of their civic services. It also means they are not going to be able to keep very many people employed. It means that the sons and daughters of the people in the community cannot expect—as they would in a secondary industry town—that they will be able to see their sons and daughters grow up in that town or that anything more than the small nuclear family is going to be possible, and the rest of the family is going to be spread across the whole country.

It means as well that pay scales in that community are going to start becoming depressed. The tourist industry, as it stands now, cannot pay wages anywhere close to the level which the secondary industry can look to for its increase in wage scales over the next 10 or 15 years. It is based on what we have seen so far. I just do not see where the minister's overall plan stands in this regard.

I was looking at a report—I think the minister's department was involved in this committee—which had to do with the whole question of pollution of the lakes. One of the things which the report suggested was that there had to be an overall tourism plan, tourism concept, because it meant so much in terms of the use of the lands, in terms of building roads, and so much in terms of a number of establishments for a lake: The whole question of how we could deal with both noise pollution and oil pollution on the lakes; a whole series of problems.

I think from these two points of view, the conservation of our resources and from the whole question of how a community can see its future, if indeed it is in the third tier as the community I happen to represent happens to be at the present time—how can they see any future for themselves and for their children and for the community? I just do not know. I would be anxious, particularly now in view of these statistics, to know just what the minister's answer is to a question like that.

Hon. Mr. Guindon: Of course when the hon. member is referring to pollution—noise pollution, water pollution—naturally we are all against that and this is fairly easy to answer. On the long-term programme, this is one of the reasons we have so many studies going on, so that we can be given a "for sure" on what can be done in the future to augment the revenues of the tourist operators, not only in certain sections of the province, but all over the province.

I think our main purpose as a department is, of course, to bring in tourists from outside and we spend quite a bit of money.

Mr. Pitman: Right!

Hon. Mr. Guindon: There is an actual increase every year, quite an increase in the number of tourists coming into Ontario. Now we are going into the four-seasons programme—which should be of some help in many parts of Ontario—rather than just the summer months. This is something that we have in mind and that I would like to look into very closely during the year, during my term of office.

Mr. Pitman: If I might just make another short comment. I appreciate the whole question of your department doing a great many studies, but I must say that personally I feel there should be far more input by the people involved in this field. It means both input

and education, because I think the minister would agree that a good many of the 7,000 who are engaged in the tourist industry still think of tourism as it existed 25 years ago and have not really comprehended what the whole thrust of our society is over the last number of years.

But you know, really, the member for Thunder Bay showed me the TORP study and really, Mr. Minister, I cannot understand what it has to say. It has very little meaning for me and I am sure that if I took that TORP study and showed it to the fellow who runs the tourist establishment up in my area, he would not be very impressed with it either.

I realize that these kind of studies are almost like pure research as against applied research. You have to have somebody who is going to try and do this exotic, almost institutional kind of research and somebody else is going to come along and provide research which is more practical and down-to-earth and very much "on the ball" insofar as the individual tourist operator is concerned. I just think that the minister's studies demand a far greater input, and involvement and participation by people who are in tourism, who are a part of the tourist operation.

One sincerely appreciates the amount of money which is given to the various tourist associations. Nevertheless, I do not think these tourist associations are given enough. They can provide an on-going educational and research operation co-ordinated with the minister's overall co-ordination. I think there are light years between what the minister is doing in his area of research and what is being felt and comprehended, and certainly accepted, by the people at the other end.

Once again, it comes back to the minister's budget. I do not know what he does with that department, you know; he is trying to operate on a shoestring. It is just beyond my imagination how you can really be realistic in this whole question. Nonetheless that is the minister's problem and I shall put forward some of the problems I see in relation to it.

Hon. Mr. Guindon: I just wanted to mention that all these tourist associations—NOTOA, ATRO, and I do not know how many more—do participate in the study and the people we hire in these studies are of course very highly qualified experts and we know that there is dialogue with people in the industry. So as far as the amount of money in our budget is concerned, well I

have to agree partly with the hon. members. More could be done if we had more money.

Mr. Pitman: This province takes enough from the tourist industry. You would think they could give some back.

Mr. J. P. Spence (Kent): As we have now a new Minister of Tourism and Information, I might say Windsor is one of the largest ports of entry for tourists from the United States into the Province of Ontario. Before Highway 401 was built the tourists who entered Ontario at Windsor used Highways 2 and 3 which were excellent. Of course, many motels, restaurants and gas stations had been built along these two highways but when Highway 401 was completed the tourists who entered Ontario from the United States used Highway 401. We believe in southwestern Ontario, Mr. Minister, we should receive more tourist dollars. Highway 401 is wonderful and we certainly need it. We have no criticism whatsoever in that regard but it has a tendency to carry the tourist who enters at the Windsor port through the Province of Ontario.

Now, since Highway 401 has been completed, two out of three of those businessmen on Highway 2 and 3 have lost a lot of business and at the entry at Windsor I wonder if the minister would consider some different signs—signs like Highway 3, Highway 2, Highway 3b.

We often think if there were a change in the signs, like "Highway 2—Scenic Route," or "Highway 3—Scenic Route" it might give some encouragement to the tourist to use these scenic routes. I would like the minister to look at the sign posting at Windsor—this big port of entry for our tourists—to see if we could encourage more tourists to use these other two fine highways, 2 and 3, so it would assist those businesses which have been feeling the pinch of loss of business. I wonder if the minister would take a look at that this year and see if some new sign-posting approach could be made.

Hon. Mr. Guindon: Yes, Mr. Chairman, I think the point by the hon. member for Kent is very well taken. I have the same problem in my own area with Highway 2 and we also have Highway 401.

Now I can assure the hon. member that our people in the department are working very closely with your local organization to bring as many tourists as we can onto Highway 2 and 3 and I would be glad myself to

take a look at the signing policy around Windsor and Huron.

Mr. Chairman: The member for Niagara Falls.

Mr. G. Bukator (Niagara Falls): Mr. Minister, I see you have \$1,020,000 for acquisition and construction of physical assets. I know these are questions that may be difficult for the minister to handle since this is his first year but what kind of historic parks and sites have been acquired? Is it land, buildings or both and if they did acquire some last year they spent \$1 million. It was estimated they would spend \$1 million. Where do we intend to pick these sites up? How many did we acquire last year?

Hon. Mr. Guindon: Yes, well Mr. Chairman, that is item 3 or vote 2102.

Mr. Chairman: Yes, that is right.

Hon. Mr. Guindon: Well, as we said earlier, there is \$1 million here earmarked for Fort William during this coming fiscal year; for the reconstruction of Fort William, in the first stage. The balance is, of course, for operation of Fort Ste. Marie, at Penetang and Nancy Island.

Mr. Bukator: That is 1971. Then these are estimates for 1971 and 1972. We have not gone into 1972 yet, and all of your money for that purpose has been used up, is that what you are telling me?

Hon. Mr. Guindon: No, it is not used up. There is one million dollars for—are you talking about the 1971-1972 estimates?

Mr. Bukator: That is what is says here in the front of the book: "Expenditure estimates 1971-1972."

Hon. Mr. Guindon: Well, we have \$1 million there for the reconstruction of the fort at Thunder Bay, and the balance is for the operation of Fort Ste. Marie.

Mr. Bukator: Then in other words, if you set aside the balance and there is no more money left to acquire any more parks or sites or historic sites—what I was trying to say, if you were using up the \$1 million for one project only, then you had \$20,000—I thought maybe I was first to bat to pick up that \$20,000. The home of Laura Secord is a very historic spot.

Mr. Pitman: What vote are we on?

Mr. Bukator: Are we not on 2102?

Mr. Pitman: Historical sites, historical parks?

Mr. Chairman: Yes. We are doing 2102 in total as I understand it.

Mr. Bukator: I understood that we could do it that way. That is the only reason I went on to the third item. We can go back if you would like to.

An hon. member: It says right on there, right on the top.

Mr. Bukator: If you want to handle St. Lawrence Parks Commission I can take my argument up a little later. However, I have not that much more to say on this except the home of Laura Secord in the village of Chippawa is a little brick house in which she taught school and it still sits there.

An old widower is living in this place and if you are acquiring historic sites throughout the province that is one that you should have. I do not believe you would need \$15,000 or \$20,000 to buy this place and the Niagara Parks Commission has been known to purchase land of that type along the Niagara river from the farmer who owned the property, allowing the farmer to live in it until he died. Then they acquired the land because it was that cheap.

Now I would like some comments from the minister because if you are going to do this job and do it properly this is the sort of thing he should look at. I do not want to put him on the spot but if I had an assurance that some of these people who come and see—I would be only too happy to show them and maybe we could acquire this site. I have known the government to go over their budget in many departments by millions. I am only talking about pennies.

Hon. Mr. Guindon: Well, Mr. Chairman, \$20,000 for this department is big money but, in any event, I know that the home of Laura Secord—of course, this comes under the Ontario Heritage Foundation, so I would not worry about voting here. If the foundation would accept it, they would likely find their own funds. Then there is always the case when we have to go back to the Treasury if there was not—

Mr. Bukator: Yes, I have known that happen to the tune of many millions of dollars. I did not get a commitment from anyone—and I do not expect the minister to tie himself down but I would like him to instruct some of his experts under the galleries here, to come down to Niagara Falls.

It is a good time to see the area if for nothing else but the flowers. Maybe they would drive by and see this spot because it is along the Welland river. It is where a major part of the War of 1812-14 took place—and I think this is a historic site that should be obtained.

Now, if they had something like that in the City of Toronto, it would cost you half a million to buy it but I am talking about a very small investment to retain and maintain a very historic spot in the Province of Ontario.

Hon. Mr. Guindon: Yes, I am sure members of my staff would be glad to accept your invitation and, as a matter of fact, there are negotiations going now about this with the Heritage Foundation.

Mr. Chairman: The member for Wellington South.

Mr. H. Worton (Wellington South): Yes, Mr. Chairman, seeing that we are trying to promote the tourist industry as much as we can on a provincial basis, I wonder if the minister is giving any consideration or has given any consideration to taking advantage of these local cable companies' programmes which they distribute to the community in regard to the many facilities we have in the province for snowmobiling, fishing, skating, anything like that.

I was wondering if you had films available or if you would undertake to hire people so that films can be made to promote this as much as possible.

Hon. Mr. Guindon: Yes, Mr. Chairman, all our films are offered to television stations free.

Mr. Worton: This is not television as such now, Mr. Chairman, these are community television programmes for local customers on the cable TV hookup.

Hon. Mr. Guindon: It is the same thing for ETV or cablevision.

Mr. Worton: Thank you.

Mr. Chairman: The hon. member for Perth.

Mr. Edighoffer: Mr. Chairman, I would just like to get a little more information on the increase in employees in this department. I noticed on the first vote the number of employees remained the same as last year. However, on the overall picture, I believe the minister said it increased from 338 to

412. Would that be under this vote—where increase of employees comes in?

Mr. Stokes: He answered that the other day.

Mr. Edighoffer: No, he did not.

Hon. Mr. Guindon: Well, we have an increase of 13.

Mr. Edighoffer: Oh, just an increase of 13. Okay, fine.

I would just like also to make a comment on a recent article I saw in the paper after a speech was made by one of the senior members of your staff regarding skiing in the Province of Ontario. I realize that much must be done to keep promoting snowmobiling and skiing and winter sports in general. The statement has been made here that we have certainly some areas that can be made tremendous ski areas. We seem to have a lot of films and advertising below the border and here in Ontario saying that we have skiing. I am just wondering what this department is doing to promote more—to make more facilities available.

Hon. Mr. Guindon: There is no money in our budget here but there is a project through ARDA which we do happen to promote. But there is no money in our estimates here for this type of development, except the promotion.

Mr. Edighoffer: In other words you are promoting that then?

The last question really that I have is, again, a question I asked in my opening remarks. I refer to the study called Recreation and Community Development on the Canadian Shield Portion of Southern Ontario. I wonder if the minister could explain to me the sentence which I quoted in my opening remarks. I noted in this study this one sentence, "Our concept of a model recreation community takes the form of a triangulated hexagon." Could the minister explain that to me?

Hon. Mr. Guindon: Yes, I am informed it is very technical and I could not explain it right now. Perhaps at a later date.

Mr. Edighoffer: Okay. Fine.

Mr. Chairman: The member for Kent.

Mr. Spence: Mr. Chairman, I would like to bring to the attention of the minister that in the county of Kent we have a very historical spot, the battlefield of Moraviantown

where Tecumseh lost his life; and we have a Fairfield Museum at which the Rev. Mr. Ernest Root, a brother to the hon. member for Wellington-Dufferin, has done a great deal to promote this historic site and is trying to get this site set aside. He has a great number of American citizens coming up looking at this historic battlefield.

I would like to ask the minister if he would take a look at this old battlefield. I will say that at the present time this site is for sale. I believe that it would be great tourist attraction; Americans are greatly interested in coming there and going through this museum and questioning the Rev. Mr. Root.

Of course, he would like to be here and hear the debates on tourism. I would like to ask, Mr. Minister, some time this summer—or shortly; as soon as possible—to have a look at or be in contact with Mr. Ernest Root to see if something could be done; that this battlefield could be set aside, or as a tourist attraction for the county of Kent.

Mr. M. Gaunt (Huron-Bruce): Is he a Tory, too?

Mr. Spence: No, he is a Liberal.

Hon. Mr. Guindon: Yes, Mr. Chairman. I have received some correspondence about this matter over the last several weeks, and the hon. member for Kent has approached me. As a matter of fact yesterday we were hoping to have time to invite Mr. Root for the discussion on the estimates. I will undertake to pay a visit to your area at the first opportunity.

Mr. Spence: Perhaps you will let me know. I wish to withdraw a statement. I do not know what politics Mr. Root has.

Mr. R. F. Ruston (Essex-Kent): Perhaps that is why the Rev. Root became a reverend.

Mr. Chairman: Vote 2102, the member for Essex-Kent.

Mr. Ruston: Mr. Chairman, I had one item I wanted to bring up with regard to the lighthouse at the Thames River. I do not know if this minister has had any correspondence with regard to it. The Department of Transport in Ottawa owned it at one time and is now, I believe, transferring ownership to the Lower Thames Valley Conservation Authority.

This lighthouse—they contemplate, I think, having it rebuilt—does need some shoring up and so forth because of the condition of it. I wonder is there any way that such a site as this could get some assistance through your department? I think it is a very worthwhile cause in that it goes back a good many years at the entrance of the Thames River from Lake St. Clair and on up into Chatham. It was used a great deal at one time.

Of course, now it is just used for pleasure craft in the area but they have abandoned the old lighthouse. It seems to me it would be a great thing to have if kept there, and if there could be any form of financial assistance you may be able to give it.

Hon. Mr. Guindon: Mr. Chairman, would the hon. member tell me if it has real historic value in the area?

Mr. Ruston: Yes, for over 100 years.

Hon. Mr. Guindon: I do not know of any channel at the present time. I will not commit myself but I would be glad to have a look at it from the point—

Mr. Ruston: I suppose the conservation authority's funds, of course, are limited, too, to these things; but I would suppose—and we will probably be in touch with them—that they will probably contact you and you can discuss it with them.

Vote 2102 agreed to.

On vote 2103:

Mr. Chairman: The archives and history and records management programme. The member for Peterborough.

Mr. Pitman: I would like to discuss this area with the minister for a few minutes. I realize that this may not have a wide interest to a great many people, but I did try to—you might say—arouse the interest of the minister's predecessor in this area, but it was not a great success.

One of the things which bothers me very greatly about this province is the fact that we are very quickly losing our heritage. I do not mean just the heritage of the last 100 years but the heritage of the last 1,000 or 2,000 years. It just happens to be the case and it is a pattern which one finds in European countries as well. Our modern cities, towns and villages follow to a large extent the villages and towns which were created by the native peoples in the early

days of the development of this country, that is along the river bends, along the shores of lakes, taking into account the very large geographic elements in this province.

Of course, these are the areas which have been, in many cases, wrecked by the bulldozer. It is not just the bulldozer which is putting up buildings, it is the bulldozers which are building roads, shopping centres, it is the gravel pits—we have already lost a great many of those artifacts that should be a part of our heritage.

My first reaction, of course, is that this is an area which should not be in this minister's department at all. In all honesty I do not think Ontario archaeology is particularly relevant to the minister's department. The kinds of things which are found by digging up the past in the Province of Ontario are not particularly exotic, they are not particularly exciting, we do not have gold bowls and we do not find glorious temples. Essentially these are things which simply help us to understand the people who occupied this land for the hundreds of years before we arrived.

I would suggest to the minister, in some justification for my taking up the time of this Legislature, that because we do not appreciate the people who occupied these lands except in the most peripheral way, that we have been unable to deal with them in any effective sense in our society. The fact that the native peoples are in such a ghastly state in so many parts of our province comes directly from the fact that we just have not given much time to their background; we have not really looked at them in terms of their own contribution to this country and they get a very, very short shrift indeed, in our history books and even in our museums in most cases. In fact, we seem to have a plethora—no, I would not put it that way—we seem to have a great many pioneer museums but there is very, very little in terms of meaningful museum activity in finding and displaying, effectively labelling and co-ordinating and collating all of these materials which have been found of archaeological significance in this province.

Now the problem is, of course, how do you protect this material? And I do not want to oversimplify this problem at all. I think the archaeologists in this province would assume there is something like 11,000 sites—probably that many, that is, of either burial grounds, or middens or areas of occupation, something of that sort. Some 11,000 sites. Under The Archaeological Historical Sites Protection Act,

I think it is possible for the minister to designate certain sites and thereby protect them from any digging, and protect them from excavation and protect the materials that are to be found on the sites.

The problem is, of course, what is the point of designating them? And I think this is the major problem; that it is really very pointless to designate 11,000 or so sites, put up a sign saying: "The Province of Ontario has designated this piece of land, as the burials and evidences of past civilizations on this particular piece of land, as an historical or archaeological site and thereby everybody is to stay out." You would probably attract every kook and nut and goon with a shovel in the entire province, and this is the problem. You cannot police it. It would take the entire Ontario Provincial Police on 24-hour-a-day surveillance, to try to protect all of this material. So I recognize that this legislation and this designation is not the total answer to this problem, but the problem still remains that we do not, at this present time, know what we are doing. We just do not know what we have, what we do not have, how effectively to hold on to what is there, at least to carry on some kind of activity which would represent a holding operation.

What we are really faced with here, Mr. Minister, I think as one archaeologist put it, is historical pollution. We have destroyed our environment, we are now destroying our heritage, our history, and I think this is important. For heaven's sake, you would think this would be one area which a Conservative government really would be interested in, with all its philosophy and background. One would hardly expect a New Democrat on this side of the House trying to convince a Conservative government that they should be doing something about conserving the past.

The first step is the most obvious one. Here again, I say to this minister I am sure—I can scarcely imagine archaeology crosses the minister's mind one day in 365, but surely we should have a provincial archaeologist. Surely, there should be one man whose responsibility it is to organize the activity of archaeologists across this province, who has some overall concept of what is going on across this province.

I am not suggesting that he be given a great deal of power at the present time. This is something that has to be worked out. But surely one person, associated obviously with the Royal Ontario Museum, should be in control of what is going on in this province in the area of archaeology. At least, he should

have some relationship to control what is going on in this province in the area of archaeology.

I suppose that in terms of archaeology it is hard to get anyone interested, when there is just one Conservative member in the House besides the minister.

Mr. S. Lewis (Scarborough West): This is the nadir of the Tory party this session. One Tory in the House other than the minister!

Hon. Mr. Guindon: One against five!

Mr. Lewis: Two members of the government! The government pretends to take it seriously.

Mr. P. D. Lawlor (Lakeshore): How can they pretend to be a viable government under the circumstances? Has the government lost the will to run the show?

Mr. Lewis: The government has more civil servants sitting in front of it than it has Tory back-benchers behind it.

Mr. R. D. Kennedy (Peel South): It is quality this afternoon.

Mr. Pitman: I shall continue. It is too often the activity in this House, speaking to empty benches whenever one comes to something—

Mr. Lewis: This is the nadir.

Mr. Pitman: —somewhat important, I think.

Surely, a provincial archaeologist is the first step toward doing something effective in this field. Then, for heaven's sake! get an archaeological survey.

There was a time when there were virtually no archaeologists available. One of the spinoffs of the last few years in this tremendous development of universities and archaeological departments in those universities, is the number of young people who have been trained in archaeology. There has been a tremendous spurt, an unusual escalation of numbers of people who know something about archaeology, just in the last eight or nine years. Surely, many of these young people are unemployed. They are out looking for jobs right now. That might have been one of the things the Opportunities for Youth programme might have considered, or the Province of Ontario might have done something in relation to the opportunity of providing something for the young people of this province to do which would be of great worth. So, there you have it.

You have got all these archaeological departments in universities. Is it not time that these departments could accept some responsibility for this province? Could you not divide this province into sections so that there could be a survey done? Make use of the young people who are available in those departments. Get some of these sites at least partially dug to find out what is available. Obviously, many of these sites are repetitive. Many of them are not important. But what is happening is that there is a tremendous amount of pot-holing going on by those who know nothing and do not care about archaeology. There is a great deal of material going out of the province, going into other countries and being sold there. It is another example of Americanization of Canada. We do not even have any control of our own records of our past.

I say to the minister that, as well as that, he has to get some decent legislation to protect these materials. For example, it seems interesting that it says in the Act:

The minister may direct that any archaeological or historical object taken under the authority of a permit be turned over to and deposited to such public institution as he may designate.

You have only got eight sites designated—eight sites. There are, I repeat, something like 11,000, I think, across the province, or are thought to be. We do not even know the number because we have not got a decent survey. There are only eight designated sites and that is the only area which is in any way protected that I can make out in the legislation of this province.

Compare that to Saskatchewan which has The Provincial Parks, Protected Areas, Recreational Sites, and Antiquities Act, 1960. The Act says:

No person shall dig or explore for or excavate, move or alter any object of ethnological, archaeological, palaeontological or historical interest or significance in a provincial park.

The provincial parks of Ontario are not too badly protected. I must admit. That is not one of the major problems. But section 10(a) of the Saskatchewan Act says:

No person shall knowingly destroy, desecrate, deface or alter any ancient painting, carving on rock, skeletal or burial object, burial-place or burial mound unless authorized to do so by subsisting permission by the minister.

Another section states:

Every object of ethnological, archaeological, palaeontological, or historical interest or significance found in or taken from a provincial park or protected area shall be deemed to be the property of the Crown.

It goes on to discuss areas outside Crown lands and the protection of these articles. It is the idea that what is found on private land is not simply the property of the person who owns that land. The surface rights, in other words, do not include archaeological finds.

I say to the minister that this is one area which one would have hoped could have received some attention by this government over the last four years. There has been very little interest or concern. In the early years of the Act—it was probably one of the first Acts which was put through—and one of the best Acts. But time has moved very swiftly past this government in this department, and particularly this kind of legislation.

As I say, I do not think legislation solves the whole problem. I do think the effective use of the resources of the universities and the young people and the archaeologists of this province is a way by which you can get something done. But, on the basis of what we have seen take place in the last ten years, we are going to lose, and lose very quickly, nearly everything which will help us to understand our past.

I just hope the minister can get a little bit interested in this matter. It is in his department. I think it should be in The Department of Education or University Affairs, and I know it came from Education. Thank God we are out of that department now. But I am wondering maybe if it is not time to go back, in terms of the fact that education is the status symbol of our society and seems to be the place where you can at least get money. One could hope certainly that something more is going to be done in this area than has been over the last three or four years.

Hon. Mr. Guindon: Yes, Mr. Chairman, I very much appreciate the comments made by the hon. member for Peterborough. I think it is a fact which has been recognized that unfortunately too many Canadians have been very lax in the preservation of our heritage. But I would think in the last two years or so we would find there has been quite a change—there is more awareness by Canadians to preserve this heritage. At the present time, as you know, we have some historic

sites that will be preserved for ever. I am referring of course, to Upper Canada Village, Ste-Marie-among-the-Hurons and, shortly, Fort William at Thunder Bay. There are many others, plus many more museums that come under our department—over 200, I believe—and receive financial assistance from us.

We are very conscious of this need—even myself, as a layman. I can assure you that I have always wanted to preserve the historic past of our people, first as chairman of the St. Lawrence Parks Commission for eastern Ontario and now on the broader scale.

Now, regarding your reference to The Archaeological and Historic Sites Protection Act, I have received a brief from archaeologists in the province. I have gone through it, and we are still looking at it with great interest. This would mean, of course, we feel, the appointment of a provincial archivist, as you have mentioned. We are not against that.

Mr. Pitman: Good.

An hon. member: Archaeologist.

Hon. Mr. Guindon: Archaeologist, yes; provincial archaeologist, pardon me.

Mr. Pitman: You have a provincial archivist. I think he is sitting right there.

Hon. Mr. Guindon: We seem to favour it; it is just a matter of time. I doubt if this legislation could be brought in during this session. But we are certainly looking favourably at it.

Mr. Pitman: How about getting something done by way of a survey of archaeological sites across this province?

Hon. Mr. Guindon: I suppose I am only expressing a personal view, but perhaps we would have to wait our provincial archaeologist first, so that he can get a programme going along those lines rather than doing it by ourselves. Anyway, I will get back to the hon. member and tell him what we can do along those lines. I just cannot give him an outright answer now. But I want to assure him that I am interested in this.

Mr. Pitman: Mr. Chairman, I am pleased to hear that. If I listened very carefully, I think I heard a responsive chord. After all, the hon. minister represents a people who have a long history in this province and in this nation and I would hope that perhaps that might become a special concern of the minister in this portfolio.

I want to say that essentially it means money; I think we are very obvious about this. I could not help thinking—I must say this, because it is on my mind. Yesterday I did go and visit Ontario Place. Finally, I decided, I was going to see what everyone had been talking about. I went as a tourist; I took a camera, so people would think I was the ordinary open-shirt tourist coming down with his family to see Ontario Place. I went down by bus. I really played it very, very cool. Let me assure you—

Mr. J. Renwick (Riverdale): He always acts like a tourist.

Mr. Ruston: We all do.

Mr. Pitman: I will never understand who designed the pods and the so-called historical material in those, but believe me, as someone who has some interest in history, I wish you could take some of the money that was put in all the punching bags that are hanging from some of these roofs, down in Ontario Place, with the wildest pictures going on round, which are totally meaningless. I say to the minister—and I questioned kids who were down there; they did not know what the hell it was all about either. All you have got is a lot of noise—you have got guns firing and you have got almost indiscernible pictures on these punching bags; people are walking and wandering around through this maze. Really, it is fun and games, but believe me, Mr. Chairman, "it ain't history!"

Mr. Chairman: Order please! Ontario Place comes under the estimates of another department—

Mr. Pitman: Yes Mr. Chairman, I shall restrain myself in making further remarks about Ontario Place.

Mr. Chairman: —and the member should get back to the subject of vote 2103.

Mr. Stokes: We are talking about tourism, Mr. Chairman.

Mr. Pitman: All I am saying, Mr. Chairman, is that it is an example of a complete lack of priority in terms of what could be done. Really, as I was listening to the member for Niagara Falls talking about the house of Laura Secord, I thought you could have bought about 12 houses of Laura Secord for what it cost for that one pod, which has little to do with the Seven Years' War, the War of 1812 and so on. I simply say that it is a very weird kind of psychology in trying to

express the interests of Ontario in this province. I will say no more on that.

Mr. Chairman: Vote 2103. The member for Essex-Kent.

Mr. Ruston: Mr. Chairman, all I wanted to ask with regards to Heritage Foundation was: In the town of Amherstburg there was some investigation as to the possibility of acquiring Parks house under the foundation. Have you got anything? Know anything? Or are you aware of that? I think there were some inquiries and some investigations made of it.

Hon. Mr. Guindon: I am informed, Mr. Chairman that our people were there as recently as last Friday. Nothing has come out of it but they are following it very closely.

Mr. Chairman: The hon. member for Thunder Bay.

Mr. Stokes: On historical sites, Mr. Chairman, I think I brought to the attention of the minister's predecessor that there were some locations in northern Ontario that were worthy of consideration by this branch. I refer the minister to some work that has been done by Selwyn Dudley who I think is well known to this department. As a matter of fact, I think maybe he even works for this department on occasion.

This has to do with Indian pictographs on Worthington Bay, on the north shore of Lake Superior just east of Schreiber. I think the site was authenticated by Mr. Dudley. And I am wondering, is there any negotiation going on either by this department or The Department of Lands and Forests to acquire this site? It is a particularly beautiful site right on the north shore of Lake Superior. It is accessible by road and by boat. I am wondering if any action has been taken by the Crown on behalf of the people to acquire and preserve this magnificent site for posterity?

Hon. Mr. Guindon: Is it on Crown land or privately owned?

Mr. Stokes: I understand it is an old mining location, but I think it was offered to the government for a very reasonable sum of money. I understood there were some negotiations going on for the past year about it. I think it belongs to somebody up around Barrie or Orillia, but I understand the people who own it are interested in seeing that it is turned over to the Crown and that the price is quite reasonable.

Hon. Mr. Guindon: Mr. Chairman, I am not too familiar with this particular site but I am told that it certainly has value. The big problem is the distance and the road to get in there, but we will pursue the matter for you.

Mr. Chairman: Under 2103?

Mr. J. Renwick: Mr. Chairman, I have one comment. My colleague, the member for York South (Mr. MacDonald) is not here, but every year I have been here he has asked whether or not the government would consider putting a plaque on the site of the birthplace of the Hon. J. S. Woodsworth. I understand it is still not done, and my colleague, the member for York South, would feel very badly if I did not keep up his record of asking each year that it be done.

Mr. Worton: Put one up now for the member for York South.

Mr. J. Renwick: It is a little premature for the member for York South, but one of these days I am sure that the minister will put it up.

Interjection by an hon. member.

Hon. Mr. Guindon: I am glad, Mr. Chairman, the hon. member brought that question up once again. I think the two governments, the national and provincial government, should perhaps get together because it is possible that it could be one plaque unveiled by the federal government someday. That is the information that I have for now.

Mr. Chairman: The hon. member for Peterborough.

Mr. J. Renwick: There is a further comment I would like to make. As I understand it, as a strictly governmental structure, this is a separate department of government—if my understanding is correct—having its own deputy minister.

I am curious—as I have raised on another occasion—whether or not the government would consider either combining the two departments of government into one department, or at least maintaining the tradition of showing this as a separate department in the estimates of the government?

My understanding is there has been no change in that, but the minister can correct me if I am wrong. And my other inquiry is to make certain that if I am correct, that there is a deputy minister of this department still holding that position, I would like to make certain that he is remunerated on the same

level of salary and income as the other deputy ministers in the other departments of government?

Hon. Mr. Guindon: I would like to thank the member for his comments. I have a statement here which has to do with the transfer of the department to another department. If you would like, I can read it into the record.

Mr. J. Renwick: It has been done, has it?

Hon. Mr. Guindon: No, the proposal was made earlier to transfer The Department of Public Records and Archives to Education and I could perhaps read the statement to clarify this and to put it in the record.

The Archives department is responsible for a number of interrelated functions that, for administrative and staff reasons, need to be closely related. Some of these functions relate indirectly to activities in several other government departments, but taken as a whole they are really unique in themselves.

For that reason the Archives has always been recognized as a separate department, although, because of its small size (63 permanent staff at present), it has always reported through a minister holding a larger portfolio. It also utilizes the personnel and accounting services of the larger department with which it is associated.

The Archivist is responsible for acquiring government records of enduring significance, not only for strictly historical research purposes but for long term administrative research needs within the government itself.

The provincial archivist has veto power over the destruction of public records in any government agency. Its records management staff also provides skilled advice and assistance in the storage arrangement and scheduling of all department's records during their operational life. In addition, the Archives operates and services a major records centre at Cooksville for less active records of all government agencies.

The archives also acquire, analyse and make available documentary material obtained through purchase or donation, whenever feasible, from non-government sources.

Among other services, the archives also compile or check government publications relating to history and answers historical inquiries directed to any government agency. It also provides professional advice to the province's local museums, does research for government historical reconstruction and marks historical sites.

As will be noted, it is by its nature a central service agency and not directly associated with any other department. It reports to me as Minister of Public Records and Archives, and—as will be appreciated—provides many useful advisory services to The Department of Tourism and Information. Historical attractions are an integral part of the tourist industry and skilled advice through research assistance constitutes a most valuable asset.

In stating this, I do not claim that all, or even most, of the Archives' basic functions are directly related to Tourism. I am merely emphasizing that many of its functions are unique to itself and that if, because of its small size, it must report through a member of the executive council who also heads a large department, then its association with Tourism is as logical as any other.

We believe, in fact, that this administrative arrangement has worked out very well. The value of the Archives' services to the public and to other government departments is being increasingly recognized and with its pending move to expanded and more appropriate quarters, these services will become more readily available.

Mr. Chairman: The hon. member for Peterborough.

Mr. Pitman: I find it very interesting, but I am not going to argue the case. The point that interests me is that the archivist is going to be very busy next fall after the next election and I want to give him all the service possible. But nonetheless—

Mr. J. Renwick: We hope he is not busy destroying anything before the election.

Mr. Pitman: —nonetheless, one can only hope that he will have the services available and I am very hopeful that the new minister might be a good deal more interested in this area of his responsibility as a minister than previous ministers have.

There is one area which I did not touch on before and which I think is very important. That involves once again the archaeological activity of this province.

What is happening is that in the explosion of interest in archaeology at both the university and secondary levels—and it is the secondary level I am particularly concerned with—there has been some development which is concerning archaeologists a good deal and that is that archaeology is becoming a kind of amateur hobby.

One of the things I understand schools do now is find some farmer who has a few artifacts on his property and send the kids out, you know, for a day of building five-foot squares and letting them dig with their trowels and have a good time.

This is an extremely dangerous procedure. I think unless the province is going to take some action both in terms of informing The Department of Education and people in the department that this is just not to be done without proper supervision—I think the archaeologists in this province are prepared to give that supervision because they realize the importance of amateurs.

If it is only a trained archaeologist who is wielding a trowel we will never get anything done for the next 100 years, but the point is I think there has to be some recognition that there be a high degree of supervision for this kind of activity.

And that is one of the reasons why I am concerned they should deal very closely with The Department of Education if we are going to be able to stop the destruction of these materials over the next number of years.

Hon. Mr. Guindon: Well you know, it is a very complex field and perhaps more complicated than the hon. member would make us believe because we, of course, in acquiring these sites freezing them and eventually this is what will have to happen.

Mr. Pitman: I did not say you should designate every site. I did not say that.

Hon. Mr. Guindon: How can you protect them?

Mr. Pitman: To a large extent, it is a matter of having these areas known first by the archaeologists and the archaeological scholars in the various universities. They have to, I think, keep a watching brief on these sites.

I do not think you can protect them except, if a survey knows where they are, get the scholars in to do a little digging to find out where there is incomparable material because obviously many of them are just simply repeats of other sites and all are not historically significant or important.

I think that is the emphasis you should be taking. It is rather a thrust toward doing something. I think I said at the beginning of my remarks that if you used the entire Ontario Provincial Police you could not protect all of these sites and the whole business of designation and protection is, I think, a

totally hopeless way of trying to go about it.

But I think that some legislation could very well be put through to recognize at least the importance of the materials in those sites; also legislation which delays activity where there is an archaeological find designated and we realize a road is to go through, or a building put up; that there be at least a delay mechanism so that a team of archaeologists who go in there can do at least a salvage operation, maybe one or two days salvaging, and get out before the bulldozer goes through.

I am realistic. I know that this government or any other government is going to be able to convince the people of Ontario it would be impossible to hold up a highway for six months or two years while a full-scale archaeological team sets up tents and carries out all the measurements until it gets its squares going.

Mr. V. M. Singer (Downsview): They do it for less reason than that.

Mr. Pitman: I realize that that is impossible, but nonetheless I think that this kind of—

Mr. Singer: At least that would be an excuse.

Mr. Pitman: —archaeological salvage has to be made possible or you are just simply going to lose virtually all that is left.

Mr. Chairman: The hon. member for York North.

Mr. W. Hodgson (York North): Mr. Chairman, at this time, since we are dealing with historical records and archives, I had the pleasure a week ago last Sunday of attending King City United Church on the occasion of their 100th anniversary of continuous service to their community.

In turn, they asked me if I would present to the proper person, the proper minister within our government a record of the congregation, and the Rev. Norman Gibson and the congregation in the United Church at King asked me if I would present this. I think this is the proper place since we are dealing with historical records and archives, for a record of the congregation over the past 100 years, of the social life, and what they have done in the way of adding to the spiritual betterment of the community.

Mr. Minister, at this time I would like to present to you, on behalf of the Rev. Norman Gibson and King City United Church

congregation, a record of the achievements over the last 100 years. I am sure you will see that it is placed in the place where it will be well kept for a record that, in the next 100 years that comes around, they will be able to look at. Whoever is around at that time, whoever it may be—if there is a United Church, and I know there will be in King City—they will come to our record here, the historical record, and look up the record of the past 100 years.

Hon. Mr. Guindon: Mr. Chairman, I would be very delighted and very happy to accept this record from the hon. member for York North and give it to our Department of Public Records and Archives for safekeeping.

Mr. Chairman: Vote 2103.

Mr. Pitman: One further comment. I would like to turn to the Ontario Heritage Foundation which I think under this vote receives \$22,500. I was reading a report which was made by a fellow minister, the Minister of Municipal Affairs (Mr. Bales), with regard to the salvage, you might say, of historic buildings. The comment under this Ontario Heritage Foundation is as follows: "The Ontario Heritage has since its inception been subject to budget restraint that has limited its activities."

I think that is probably one of those understatements in government reports which the opposition always smiles at.

This \$20,000 is scarcely enough money, you know, to send out a good mailing and, I suspect, totally inadequate really to perform any service to this province. I understand in 1968-1969 there were 300 projects, 300 applications, in which the Ontario Heritage Foundation were asked to acquire some piece of land which had a historical significance in this province.

Could the minister give me any idea how many there have been in 1969-1970 and 1970-1971? How many applications have there been turned down or is the foundation simply unable to cope with it because of the budget restraints which are so obvious by this estimate?

Hon. Mr. Guindon: The \$22,500 quoted here for the Ontario Heritage Foundation is only for administration, as you know. They have besides that a fund—

Mr. Pitman: That is private funds then?

Hon. Mr. Guindon: Private and government money—funds that were given to the

foundation a few years ago. They can only use the interest on that money—

Mr. Pitman: How much do they use a year for acquisition?

Hon. Mr. Guindon: It depends. I know they have bought some—

Mr. Pitman: I think you have got nine properties, have you not? Nine?

Hon. Mr. Guindon: Yes.

Mr. Pitman: Could the minister tell us what the nine properties are that have been acquired? Do you have that information there?

Hon. Mr. Guindon: I will have to get you that information. We do not have it here.

Mr. Pitman: Perhaps the minister could tell me whether there are buildings on these properties or it is essentially land that is being acquired by the Ontario Heritage Foundation?

Hon. Mr. Guindon: I would think there would be buildings on the land.

Mr. Pitman: Buildings on the lands?

Hon. Mr. Guindon: Yes.

Mr. Pitman: In a statement, this government report indicated that the Heritage Foundation could not really even afford to accept property for nothing because it would mean the upkeep of this property and that really there was a very limited amount that they could turn to. Which really means that in order to save buildings, save historic buildings that are 100 years or 150 years old, you really have to turn to municipal legislation.

One of only two municipalities that are protected in any way in the Province of Ontario is the city of Kingston, because of a particular piece of legislation that was put through by that city, which we put through this Legislature related to that city. It allows them to put bylaws through to prohibit and regulate and control the alterations to or demolition of buildings of archaeological value, this has to be repealed in 90 days if the city is not prepared either to purchase or to lease or expropriate them.

I think the city of Toronto has a piece of legislation which I do not think has ever been used yet to save any buildings. It demands that they designate a building as an historic site within 60 days and within 60 days they can, that is, if it looks as though

the building is going to be demolished—they have 60 days in which to save it. As I understand it this is really not very workable and really it has saved very many buildings in Toronto.

So here again we come back to the fact that the province has not given any real direction towards the whole question of saving historic buildings. Some people really do not care, they would rather see an asphalt parking lot than a building that has been up for 100 years. But I would suggest that this surely is the responsibility of this government.

It should be a concern of this government. We have a provincial inventory, I think it has been going since 1965—six years ago—and this was being done through local historical associations. The minister suggested, I think, the quota they quoted may be suspect. It may be suspect in certain parts of Ontario, but I do not think it is suspect in the part I happen to come from.

The point I am making here is that there certainly has not been any overall continuing interest on the part of this government in saving buildings. We are now reaching the point—and I am sure the minister realises this, he knows something about buildings—where these buildings are very much “under the gun.”

Any building which has been around for very long is probably in a part of the city where land is very valuable. The building itself is probably now reaching the point where its plumbing and all its amenities are such that it is cheaper to tear it down and put up another building, as we have seen take place all across this province. These buildings are going down day by day, and week by week, and month by month, and we are losing some of the architectural history of this province.

Once again, you can laugh at some of the buildings put up at the end of the 19th century as being Victorian excrescences, but I suggest that we understand ourselves as well by knowing what we put up in buildings. I might say it is a commentary that scares me to death in terms of the kinds of buildings we are putting up now. I do not know how anybody is going to understand us by looking at the Toronto-Dominion Centre—but maybe they will understand us, and that would be even more terrifying. But nonetheless, I suggest to the minister that this is an area that demands some attention.

Once again, a few million dollars over the next number of years will decide whether

our children have a heritage of which they can be proud in terms of historic buildings as well as an archaeological find.

It has been suggested—and I think it is surely the time to move—that there should be an inventory, that there should be a designation of buildings which are of national and provincial importance, that they should be published in the Ontario Gazette, that there should be a plaque.

This is not like archaeology; people are not going to pothole buildings. But you are certainly going to demand that those who own these buildings—that is something else too, because most of these buildings are owned by people—are going to obtain authorization from the minister before and demolition or alteration of those buildings takes place.

Here again, I think if the province really became turned on by trying to save the past instead of trying to produce the future (I refer once again to Ontario Place; there is another example) I still think you are going to retain your history far better by retaining what is the reality of the past than trying to construct a balloon and punching bag history for the future.

I turn once again to this minister. Here is another area in which you can make a very real contribution to what goes on in this province and the quality of life in this province.

One of the interesting thing Mr. Chairman—I will not take any more time for this—is that kids are getting interested in this. Talk to Peter Swann up at the Royal Ontario Museum. You see them across the road here in the Canadiana collection. I walked over there a couple of days ago and was quite surprised by the number of kids in there looking at what is going on.

They are beginning to realize that, you might say, our 1970 presentation of glass and gloss and metal really is not all that there is to reality, and they are trying I think to get some appreciation of the past, even in their clothes.

If you read some time "The Greening of America," by Charles Reich, he talks about this—the kids' clothes, their attempt to go back, wearing overalls, wearing clothes that people wore 20 or 30 years ago. There is an appreciation, sort of a gut feeling that there is some reality back there that they want to recapture. There is something perhaps a little more honest, perhaps a little more decent and humane back in the past which they think has some relevance.

The very fact some of them are going and living on farms and trying to grow food without the benefit, the dubious benefit, of some of our present methods of growing food. I think all of this is a part of this present generation. So you are on to something. In other words the minister a moment ago said that people are concerned in Ontario; you are darn right they are, and it is the younger generation that is concerned. It is interesting that when there is a building that is going to come down to put through another road or another parking lot, it is kids that are carrying signs, it is kids who are getting concerned. They do want to retain something, so there is, you might say, some history about them instead of just simply another great collection of barren glass and aluminium buildings around them.

So I say to the minister, here again is something surely that the philosophy of this party and the philosophy of this government should have some concern about.

So let us get on with it; let us get a provincial inventory finished. It has been going on since 1965; let us get some real thrust in designating those buildings which must be retained if we are going to have some appreciation of the architectural background of this province.

Hon. Mr. Guindon: Yes, I agree with the comments made by the hon. member. I have realized already, since I have joined this department, that there is a very close relationship between museums and historic sites and tourism. We find that people like to come back and as you say, to the younger element as well, there is a greater awareness in young people. And I agree with him, and as I say, I will take a very close look and a great interest in this matter in the years to come, if I am still here.

Now, perhaps for his own information concerning the Heritage Foundation, we have received so far in donations to the foundation in real property, \$718,000 worth and also in other properties of a cultural nature, \$861,000—

Mr. Chairman: Vote 2103.

Mr. Stokes: I want to get in on the records management, Mr. Chairman, on the second item on Vote 2103, which is up \$37,000.

I raised with the minister's predecessor last year a few apprehensions I had about the way that all of the records of various

governmental departments were being stored, and according to page 44 of the 1970 annual report for this department, I noticed that it is centred in Missassauga, as opposed to a location you said at Cooksville for the—Is it the same thing?

Hon. Mr. Guindon: It is the same thing.

Mr. Stokes: I see. Okay. I am wondering what safeguards there are against any unauthorized personnel having access to all of the voluminous files that are being stored, I suppose for a very good reason, by a good many departments of this government.

And I notice there is a very close liaison between the treasury board's records management committee. I noticed that through the year 1970, over 14,000 references to the centre were serviced, and many visits made by personnel from various government departments and agencies out there; given the apprehension that a good many people have about these data and memory banks and retrieval of information, I am wondering what safeguards there are against any of this information being used for purposes other than which it was originally intended? A good many of those documents, I would suspect, if they got into the wrong hands, could cause embarrassment, or at least, nuisance, to a good many people whose names appear in them. If they were made available to everybody or anybody other than authorized personnel, I would think that, to say the least, would be an invasion of privacy. It would be, I think, very, very dangerous for a good many of these documents to be used even, say, for mailing lists or for credit purposes, or to hold against people for employment purposes, or any number of reasons. This information could work to the detriment of a good many people.

I am wondering what kind of security you do have? Who are these voluminous files made available to? And what safeguards are there that these things will not be used for illicit purposes and for purposes of exploitation of people?

Hon. Mr. Guindon: Mr. Chairman, the concern of the hon. member is also the concern of the minister as well as the officials of our department. I am informed that only civil servants can get in there. We have good security measures and all these civil servants, as you know, have sworn the oath of secrecy so, so far, we have never had anything happen, but we are also as concerned as he is.

Mr. Stokes: What are the physical arrangements out there? Could we go out and look at them to see what they are like? Is it under heavy security? Is there a safeguard against burglary, theft, fire? What kind of facilities are there, briefly? I do not want it in detail, but briefly, what are the facilities like?

Hon. Mr. Guindon: I think we have the safest of devices I am told. Surely, I would be glad to—if any of the members would like to visit the building, they are welcome to.

Mr. Stokes: What is the additional \$37,000 for, over and above what was required last year? Was it additional space?

Hon. Mr. Guindon: More space to the building and an increase in staff.

Vote 2103 agreed to.

On vote 2104:

Mr. Chairman: The theatres programme. The member for Downsview.

Mr. Singer: Mr. Chairman, every year on the theatres programme, I continue to wonder about the continued need for the services of Mr. Silverthorne.

Mr. Silverthorne is a fine gentleman who has provided great service to this province over a long period of time. I wonder, really, as we get on with it and we see the budget go from \$156,000 to \$174,000 to \$235,000 what actually we are achieving in the theatres branch that cannot be achieved by the police in the courts insofar as censorship is concerned or by one of the departments charged with the inspection of buildings insofar as dealing with safety is concerned, and so on. These are all important aspects, but there are various branches of government that have to deal with these things.

I wonder as I see films processed through this department with the various labels that are put on them. I think "Patton" was one that I saw the other night that was recommended for adults. Other than a few rude words that General Patton used from time to time, I did not see any particular reason why it should have not been given a general seal of approval. Certainly it had a great deal of historical value.

What really is achieved by keeping this branch going? Does it not belong back in the days when the morality of the province indicated that it was bad to drink and that people who did drink were suspect and you

should make it as hard as possible? At that time as well, one had to be very careful of the words that appeared in a film or the kind of scenes that appeared in a film.

We have certain laws in The Criminal Code; albeit that people are not too impressed with some of the methods by which they are enforced, the police have a difficult job in doing it. I do not think the theatres branch can or should replace the provisions of our criminal law in this regard. I wonder if the minister really believes that in 1971, it is necessary to maintain this branch any longer.

Hon. Mr. Guindon: Yes, Mr. Chairman, the minister really believes. When we see what is happening in other jurisdictions I can assure the member from the mail that we receive almost daily from the people of Ontario—or at least every week from all parts of Ontario—this branch is very much appreciated and very much needed in this province.

The question was very simple: If the minister believes that much is being achieved—I can say, “Yes”; and give the member every assurance that I mean every word of it. As for his comments that perhaps the police force could do this work; I would doubt if any police force would ever engage in this type of censorship, because you really need people who are highly qualified to do this. After having informed myself and studied what goes on in the theatres branch, I am delighted to say that I find it is doing an excellent job.

Mr. Singer: Mr. Chairman, I think the minister makes the very point that I was trying to make. He says he receives many letters from people complaining—

Hon. Mr. Guindon: Oh no!

Mr. Singer: Sure you do, you see them in the papers all—well, I receive letters complaining, “How could the theatres branch let this horrible picture be shown to all the nice people of the Province of Ontario?”

I know the minister gets his share of that kind of letter too. He is going to be damned if he does and damned if he does not, so why bother; that is my point. Why bother, because so far as the ability to determine all parts of The Criminal Code—the customs people purport to exercise some sort of control over the kind of stuff that comes across the border—none of it seems to work very well.

I wonder, as I see some of these films that are available for display and hear some of

the comments, whether or not really we are achieving anything or whether we are just sort of giving nominal lip-service to some of the people who write letters. The people who write letters are people who are not happy with the kind of pictures Mr. Silverthorne and his people let through; and that causes me to wonder. I wonder, if the minister has a count, how many letters of commendation and how many letters of criticism he has had. How many letters has he received in the last year about this? How many letters has the theatres branch received and, of those, how many are favourable and how many are critical?

Hon. Mr. Guindon: I cannot tell you the numbers, but of course most of them would be critical.

Mr. Singer: Yes, that is my point.

Hon. Mr. Guindon: But the hon. member should know that we are dealing in a very difficult area here. You may have films shown in Toronto that will not be offensive whatsoever, but you go to other parts of Ontario—and I have received several letters in recent weeks from people who were very offended that these films were shown in small hamlets in other parts of the province. And I know that here in this sophisticated city of Toronto I doubt if they would have more than 10 people to watch it; so you need an expert to work on this censorship branch, which of course is staffed, and I personally am very satisfied.

I do not want to mention any other jurisdiction or any other province, but I know that I am proud to be in Ontario when I see what is being done by our branch.

Mr. Singer: Well, the minister further makes my point when he says there are films that are all right for viewing in Toronto but might not be all right for viewing in Goderich, for instance, or somewhere else. I do not think—and certainly not to my knowledge—the theatres branch attempts to say that a certain picture is fine for Toronto but not very good for East York or Cornwall. There is just no way of doing that. So the minister again has indicated to us that, try as they might, they are really charged with almost a thankless job.

Mr. J. Renwick: Is the member for censorship or opposed to censorship?

Mr. Singer: The member for Riverdale asks this question annually and he knows exactly what I am talking about.

Mr. J. Renwick: I do not know exactly.

Mr. Singer: If I have to, I can engage in a debate with the member for Riverdale in due course.

Mr. J. Renwick: I worry from year to year.

Mr. Singer: We will hear the member for Riverdale get into this in a moment.

Mr. J. Renwick: I will.

Mr. Singer: I am glad the member will.

What puzzles me, Mr. Chairman, is the inability to have standards in this field that in fact are meaningful and that are in fact really serving any general public good. I am not satisfied, frankly, that what is being done meets with the kind of approval that indicates the continuance of this branch.

It would seem to me these matters should be left to the provisions of the criminal code where, goodness knows, they are difficult enough to enforce and let us see what happens.

Because it is an almost impossible task and it is not just enough for the minister to say: "I am satisfied."

Then he tells us that all the people who write to him say they are not satisfied. Well, if the minister is satisfied and the people are not, I think if the people are unsatisfied, why have it?

Hon. Mr. Guindon: Mr. Chairman, my only comment would be if the hon. member had seen what I have seen he would be all in favour of censorship.

Mr. Chairman: The hon. member for Riverdale.

Mr. J. Renwick: Mr. Chairman, perhaps the minister would give us—

Mr. Stokes: How does one get to see these?

Mr. J. Renwick: Perhaps the minister would give us a record of the deletions or other expurgations that have taken place since the report of his predecessor a year ago in the films that have been permitted for public showing in the province?

Hon. Mr. Guindon: I have here a number of rejected films. There are, I think, 14. According to our report, eliminations were ordered and agreed to by the film exchanges in 100 feature films. This is an arrangement between the film distributors and this board and at no time is the information given out

but several people have requested it and should it be made public, this would have to come from the owners or the distributors of the films and not from us. That is the number, 100 feature films. We have made eliminations; a number of the eliminations were just cuts.

Mr. J. Renwick: Would the minister give us the titles of the films in which the cuts took place? Not the 100, but the other group. In prior years, the minister's predecessor has given us the names of the films in which the deletions have taken place.

Hon. Mr. Guindon: No, I think just the rejected ones. I can give you the name of the one rejected one which was appealed to the minister but upheld.

Mr. J. Renwick: Well, I am concerned then, Mr. Chairman, because somehow or other we are not going to get any information. The minister's predecessor, on a number of occasions, stood up in the House and stated which films had been subject to a degree of censorship, title by title; and indeed two or three years ago an indication of the nature of the deletion which took place.

I take it from what the minister is now saying is that there is just no way that the public in the Province of Ontario is going to know what deletions have taken place from any film in the province. Is that a correct statement or is the minister going to give us some information?

I think it is quite specious, actually, to indicate that arrangements between this government's board and the film exchange industry must come only from the distributors of the films. That seems to me to be a classic kind of suppression of information of the extent to which there has been a censorship in the province.

Mr. Singer: Are you in favour of or against censorship?

Mr. J. Renwick: I can well understand the minister's satisfaction with what is taking place, because if there is one thing that the head of the censorship board has achieved, it has kept the government out of trouble, indeed several governments out of trouble now for, my understanding is, some 38 or 39 years, in what I agree is a difficult field.

But certainly this Legislature, I consider, is entitled to know what films have had deletions made in them; and what is the nature and the extent of the deletions.

Hon. Mr. Guindon: Well I am informed, Mr. Chairman, that the former minister did give a list of the rejected films.

Mr. Chairman: Vote 2104.

Mr. Singer: Mr. Chairman, could I ask one point? What are the criteria? If you will not tell us what the deletions were, what are the criteria? What is deleted? Are four-letter words deleted, or five-letter words? Are certain kinds of scenes deleted? Is there any list of tests, or does the board just determine it for itself?

Mr. Stokes: Just offensive things.

Hon. Mr. Guindon: Well there are several reasons of course. First, there are matters of obscenity, of language—

Mr. Pitman: Violence?

Hon. Mr. Guindon: —violence, in some cases. I know in this particular one, a series of sexual encounters, exploitation of nudity and sex.

Mr. Pitman: There was certainly no violence in "Patton"!

Hon. Mr. Guindon: I am not going to name them all.

Mr. Singer: Why not?

Hon. Mr. Guindon: Well, it would take too long. Extended scenes of nudity and sex; cruelty to sea lions—

Mr. Singer: Cruelty to sea lions? That is a very significant thing.

Hon. Mr. Guindon: —nudity and excessive provocation. There are a number of reasons—horror, violence, gruesome, undue exploitation of sex. These are the main reasons for it.

Mr. Singer: Mr. Chairman, that is a very interesting partial list the minister has read us. Does he mean to say that if there was a documentary showing that cruelty to sea lions was bad that would be censored?

Mr. Worton: The sex life of a sea lion.

Mr. Singer: Cruelty to sea lions! That one was particularly—

Hon. Mr. Guindon: No, there are two things in that film. One was extended scenes of nudity and sex.

Mr. Singer: Among sea lions or among others.

Hon. Mr. Guindon: As well as.

Mr. Singer: The other thing is this violence. I would think the picture "Patton" had a considerable amount of violence in it.

Mr. P. J. Yakabuski (Renfrew South): His ears perked up on that one.

Mr. Singer: When is violence allowed and when is it banned?

Hon. Mr. Guindon: This is a matter of determination, of practice.

Mr. Singer: I see. What I was trying to get at, Mr. Chairman; those are the reasons—I presume the minister is reading from a list—given by the branch for the deletions? Now where does the branch get its instructions?

Are there instructions from the department to the branch? Or does the branch just exercise its own subjective opinions? Are there changes from year to year? Is this reviewed or does the whole testing as to what should be allowed and what should be removed, remain constantly in the subjective discretion of the branch?

Hon. Mr. Guindon: Yes, Mr. Chairman. The branch has much legal advice on these matters, by experts at their convenience, when they want to have them. Although the minister is not an expert and can be considered as an adviser, he always has a word to say too.

Mr. Singer: Mr. Chairman, that is very interesting. To allow a lawyer to give legal advice, he too must have some tests. Does he look at the Criminal Code, or is the legal advice he gives subjective to him? What are the grounds and is it determined by anyone in particular, by ministerial regulation? If it is, what do you say is objectionable? What is not?

Hon. Mr. Guindon: One of the greatest qualifications required is he has to be an expert in—

Mr. Singer: What is an expert? How would you define an expert? As I have watched the progress of some of these things through the courts, when charges have been laid under the appropriate provisions of the Code, it seems that they have a great deal of difficulty in finding experts whom the courts are prepared to accept as experts.

If the branch has a secret as to how one finds an expert in this field, perhaps the Attorney General and the various Crown

attorneys would be most interested in finding out who they are. Who are experts in this field?

Hon. Mr. Guindon: I mean an expert in the Criminal Code.

Mr. Singer: An expert in the—are you then applying the tests that are in the Criminal Code? Is that what you mean?

Hon. Mr. Guindon: Yes, I am informed.

Mr. Singer: So that what is taken out of our films here is what is, in the opinion of the branch, those items dealt with by the appropriate sections of the Criminal Code? Those are the only tests, is that right?

Hon. Mr. Guindon: Yes.

Mr. Singer: Yes. Then how do we get to the sea lions?

Mr. Worton: That is a very good question.

Hon. Mr. Guindon: Just distasteful cruelty, that is all.

Mr. Singer: All right.

Mr. Chairman: The member for Brantford.

Mr. M. Makarchuk (Brantford): Mr. Chairman, this is more or less an academic question, or a question to ascertain the philosophy of the board. Is it more detrimental to the public, in your opinion, to show a scene of copulation than a brutal killing? What is your opinion in the matter? Which do you think is more detrimental to the public?

Mr. Singer: Whatever it says in the code.

Hon. Mr. Guindon: Well, both of course. Whichever is the more detrimental depends on the individual, I suppose.

Mr. Makarchuk: The other question I have is: The amount that is spent or budgeted is \$235,000. Is this money refunded or returned to the government by some form of licensing fees on the films that are being screened? In other words, do you recoup the amount that you spend in this operation?

Hon. Mr. Guindon: Mr. Chairman, the revenues are roughly \$225,000, or \$220,000—we are just about self-supporting.

Vote 2104 agreed to.

On vote 2105.

Mr. Chairman: The Centennial Centre of Science and Technology. Is there any comment on this?

The member for Perth.

Mr. Edighoffer: Mr. Chairman, I would just like to ask a question or two regarding the Ontario Science Centre.

I understand that attendance has been quite good in the last year and we are hoping for good attendance in this next year. However, it is considered a real tourist attraction and I am wondering if everything is followed through in the centre as a tourist attraction.

I understand there has been publicity in the States, and many people have come from the States. Many groups, not only school groups but groups of adults, have visited the centre. I am just wondering if these people are advised of the facility that is available and if, when they arrive at the centre, they can get any information as to where they should go first or what to see.

I noticed, the few times that I have been there that there is no one really acting as a receptionist or hostess, and this would to me be especially necessary for older people visiting the centre. Has any thought been given to this to hire tour receptionists or hostesses for the centre?

Hon. Mr. Guindon: Yes, Mr. Chairman, we have a hostess now and we also have conducted tours for schoolchildren.

Mr. Edighoffer: I realize you have conducted tours for children, but I did not quite understand, you do have hostesses?

Hon. Mr. Guindon: A hostess, yes, for our visitors. Available for those who want them.

Mr. Edighoffer: Is there any particular place they have to go in the building to find them, or are they right at the main entrance?

Hon. Mr. Guindon: At the information desk.

Mr. Edighoffer: At the information desk, thank you.

Last year we had some discussion on the contracts for the food outlets and the gift store and book outlets there, and I just cannot recall offhand how long these contracts run. Could you inform me for what length of time they are still in effect?

Hon. Mr. Guindon: I am informed, Mr. Chairman, for 10 years.

Mr. Edighoffer: For 10 years? And what does the centre obtain from this lease?

Hon. Mr. Guindon: Yes, a six per cent of the gross on food and eight per cent on drinks, beverages.

Mr. Edighoffer: It just seems strange to me, Mr. Chairman, that we look at, say, the St. Lawrence Parks Commission under this same branch. They, I believe, look after their own salable goods, and it is just too bad to see that this is tied up for a 10-year period.

Hon. Mr. Guindon: Mr. Chairman, it is not quite correct. In the St. Lawrence Parks Commission we also have a concessionaire in the restaurant. We have a souvenir shop which is owned and operated by the commission, but in the case of servicing of food, we have a concessionaire there too.

Mr. Chairman: Vote 2105?

Mr. Edighoffer: I would like to make some suggestions, but if you are tied up for 10 years I cannot make any.

Vote 2105 agreed to.

Mr. Chairman: This completes the study of the estimates of The Department of Tourism and Information.

Hon. Mr. Wishart moves that the committee of supply rise and report certain resolutions and ask for leave to sit again.

Motion agreed to.

The House resumed, Mr. Speaker in the chair.

Mr. Chairman: Mr. Speaker, the committee of supply begs to report it has come to certain resolutions and asks for leave to sit again.

Report agreed to.

Clerk of the House: The sixth order, resuming the adjourned debate on the amendment to the amendment of the motion that this House approve in general the budgetary policy of the government.

ON THE BUDGET

Mr. M. Makarchuk (Brantford): Mr. Speaker, in resuming the debate, I was talking about the possibility of creating jobs, and we are just dwelling on the idea that we should be using our natural resources for promotion or for development of local jobs.

As I was concluding, when we were cut off because of the shortage of time, I was stating as a good example the International Nickel Company which takes Canadian copper and Canadian nickel down to Huntingdon, West Virginia, and processes it and

fabricates it; and the result is that it provides jobs for over 3,000 people in the plant itself and contributes an annual payroll to the community of something like \$40 million.

Now there are the kind of jobs that should be in existence in Ontario, because, in the first place, they are not the little manufacturing plants that just provide a minimum wage and have a sort of indefinite life span—they may be in operation today but then the day after tomorrow they may decide to close down because the market disappears.

This is a substantial industry that can and does establish roots in the community, that employs a large labour force, that pays an excellent wage, and we should insist in the future that this is what we want in Canada, and particularly in Ontario. In our development of the use of our resources we at the moment are calling for the building of smelters. So roughly 100 per cent of our mineral wealth is processed in this country; there should be the second stage which would include the fabricating of these minerals or the metals that have been—

Mr. A. W. Downer (Dufferin-Simcoe): Mr. Speaker, on a point of order.

Mr. Speaker: Order please! A point of order.

Mr. Downer: I would like to mention that there is not a quorum in the House.

Mr. Speaker: The Clerk might please ascertain this by count.

Interjections by hon. members.

Clerk of the House: There are 17 members.

Mr. Speaker ordered that the bells be rung for four minutes.

Mr. Speaker: The bells having rung for four minutes and a quorum now being present the member for Brantford may continue.

Mr. Makarchuk: Thank you very much, Mr. Speaker. I am always glad to see the early diners come back into the House.

Mr. J. Renwick (Riverdale): Do not interrupt him again.

Mr. Makarchuk: To proceed to another point, Mr. Speaker—and this was a matter I raised a couple of years ago—I am concerned about the lack of recreational facilities for many of the children in Ontario. Now there

is a definite problem, particularly in the small communities, in that nobody seems to want to undertake the responsibility of establishing recreational centres of any kind and there is no local jurisdiction; if they are prepared to do it they do not have the finances. I think this is a place where the province should move into and ensure that finances are made available for each community in Ontario where local people, local groups, could perhaps operate and run with even high school students and students from grades 7 and 8 operating drop-in centres, sort of get-together centres. It is a sadly needed facility and if you talk to the students you will find they wish there were something of this nature and they will complain saying that the only recreational facility available in the smaller cities of Ontario is a matter of driving from one drive-in restaurant to another drive-in restaurant. This is the regular traffic pattern and this is all they have to do.

The other facility I think where the province could get itself involved is the matter of establishing summer camps in the various provincial parks or in suitable locations on lakes. These camps would be built by the province and operated by the province and they would provide facilities also for children from slum areas of cities, from the poorer sections of the cities, from perhaps even the countryside where they do not have the opportunity, or rather they do not have the finances, and this would give them a chance to get and enjoy what is really at the moment a privilege for the wealthy.

The wealthy always manage to provide summer camps for their children and there are numerous summer camps in operation in northern Ontario—and in a sense you have the resources of the province or the facilities of the province actually denied to many children. The facilities really become the preserve of the children of the wealthy.

The other advantage of this situation would be that you would have ready-made jobs for the many high school and university students who come on to the summer labour market every year. They would be available to work in these areas as counsellors and so on performing the usual tasks done by students. Again I would suggest to the government this is one area which should be examined very closely. It is a project that will not only provide jobs but will certainly provide great social benefits, par-

ticularly to the children of the inner cities, the core of the cities, who really need them.

I would like to draw a little on some of the matters that pertain to the local situation in Brantford. One is the matter of the local expressway, which the municipal council has decided to embark on in three stages. There is a considerable amount of controversy within the city as to whether the council should proceed with the completion of the expressway. There is no doubt in my mind that the first stage, which requires the building of a bridge across the Grand River, is a very necessary scheme. We have only one bridge and traffic does pile up during the rush hours and, of course, another bridge will relieve some of this congestion.

The disadvantage in proceeding with the other sections of the expressway is the fact that it tears the heart of the community in the sense it cuts across the town. I have here a letter which was written to the editor of the Brantford Expositor and is from Reverend A. Hirtle; it is related to the decision made by the provincial government to cancel the Spadina Expressway, and I quote:

In view of the provincial government's decision to discontinue the Spadina Expressway, is there some hopeful prospect that the Brantford Expressway may also be dropped? When the expressway plan was being discussed a few years ago, I felt I was too new to the city to participate intelligently in the discussion. However, I have lived in Brantford almost five years—two in East Ward, three in Eagle Place—and now I feel that I have some reasonable questions which I would like to see answered.

1. Is the proposed expressway essential? At the moment Brantford is semi-depressed, with too many eggs in one basket. Are we assured of a varied industrial development to provide the additional jobs and the factory and home assessment required to carry the tax burden of hundreds of thousands of dollars that the city will have to raise each year even with provincial participation? And have all the problems been solved in relation to the railway lines? If the expressway is essential, has the best possible route been chosen?

A letter you published one and a half or two years ago advocated a route following River Road and Birkett's Lane rather than cutting through the heart of Eagle Place and East Ward communities.

The proposed alternative would have had several advantages. The acquisition of the necessary property would have been much less costly—and let us not forget the Brantford residents will be paying these costs for many years to come in spite of provincial participation. The required filling and grading would remove the threat of flooding for all time to come from an area of the city which faces this potential danger. The route would have been much more scenic, especially eastbound, and it would not have destroyed the community identity of two parts of our city.

It is one thing to build an expressway through an undeveloped area and watch new communities grow on either side of it. But it is a horse of another colour to destroy the identity of old existing communities and take away the communities' pride and spirit, perhaps at the risk even of psychological trauma to some people, to jeopardize the successes of small business, to create very real problems for public schools, the pupils and their parents, and to disrupt the effectiveness and influence of our churches and Sunday schools.

The decision of the provincial government on the Spadina Expressway, where the population density and daily traffic volumes are so much greater than here gives me hope that we have not passed the point of no return in our decision on this matter. Perhaps careful analysis and an intelligent review may result in the saving of tax money, not to mention permitting people to live where their roots are down in homes they are fond of and in a neighbourhood they appreciate. Regrettably, many have had to sacrifice their roots, their homes and their relationships.

And copies of this letter of course, have been sent to the minister and the Leader of the Opposition (Mr. Nixon) and myself. It is signed by the Reverend Arthur Hirtle.

There is a very reasoned appeal regarding the conditions in Brantford and a very good analysis of the concern that is expressed by many of the people in Brantford about the impending or the building of the expressway.

The other point that I hope eventually the new Minister of Transportation and Communications (Mr. MacNaughton) takes into account, is the fact that there are major land assembly schemes going on in Brantford at this time, that areas or patterns of growth will be changing in a city; the fact that Nanticoke is developing to the south of Brant-

ford and that there is a possibility that the existing rail lines which are inactivated at the moment may be reactivated and could possibly be used as a rapid transit system to take the work force from Brantford to the Nanticoke industrial area.

All these are new developments. It seems to me it is a completely new ball game, as far as the expressway is concerned in Brantford. So, hopefully, the minister in charge would take a very good look at what is going on and perhaps reconsider the scheme, particularly in the second and third stages.

The other small point is the fact that, proceeding with the second and third stages, will destroy numerous dwellings. As is the problem in every other city, we have a housing shortage in Brantford and this in no way will contribute to a better sort of life for the citizens.

Another point that is of concern—and, again, it has been raised in the House—is the navigation on the Grand River itself. This is coming from Middleport right up to Paris. Originally the river was a navigable stream. We had barges and steamships or steamers of some size coming up river as far as Brantford and then going on to Paris. The Department of Tourism and Information has done a feasibility study on this. It is a feasible project. It will finance and pay for itself just out of the tax revenue that it would generate over a period of something like 10 to 15 years. Again looking at it in terms of the recreational needs that are developing in the communities in southwestern Ontario, I think this could become a scheme of rather great urgency and importance.

The other point here is the fact that The Department of Transportation and Communications is busy at the moment building bridges and a crossing across the river. I would suggest to them that when they do these things that they possibly bear in mind that if the bridges are built they may have to rebuild them should they decide to go into navigation, or eventually when we will get navigation on the stream, that the bridges should be constructed so that they will allow passage of reasonably large boats underneath them.

In conclusion, Mr. Speaker, I have, as I said earlier, or in the previous day when I spoke on this budget speech, we went through an election in Brant county and this party is willing, able and very ready to take on the government over there in an election at any time it cares to call it. With the budget it has introduced and with the Throne Speech,

I am sure the results will be very positive for us.

Hon. J. W. Snow (Minister without Portfolio): The member is not really counting on it, is he?

Mr. Makarchuk: And if the government wants a survey from Goldfarb's, let us know. We will arrange it.

Mr. G. W. Innes (Oxford): Mr. Speaker, I want to begin in relation to my own constituency and a going problem that we face there, by asking the simple question, was Premier Davis sincere in his decision regarding the Spadina Expressway?

Let us assume for the moment that he was; then this would mark a decision for people against the automobile. Also, as far as my constituents are concerned, it would mark the end of pouring tax dollars from the countryside into Metro concrete. There would then be a solid argument for spreading that concrete where it would do the most good, specifically, as a bypass for Woodstock, which, as I have said, in this Legislature, many times in the past few years, is increasingly plagued—

Mr. P. D. Lawlor (Lakeshore): The member for Oxford is lucky that the member for Downsview (Mr. Singer) is not here.

Mr. Innes: —by the noise of trucks passing through the town at the rate of one a minute—

Hon. Mr. Snow: Where is the member for Downsview? Does the member for Downsview agree with the member for Oxford?

Mr. Innes: Oh, I might even convince the member for Downsview.

Mr. Lawlor: Nobody ever convinces the member for Downsview of anything.

Mr. Innes: Oh, I think so—from the chemical valley between Woodstock and Ingersoll, from Domtar, from Cyanamid of Canada, and from Canada Cement.

Mr. Speaker, every member in the House recognizes the great contribution Highway 401 is making to the province. The original intent, of course, was to speed up traffic throughout the province and this it certainly has accomplished. It is admired by many people through all segments of the economy, and certainly by visitors from outside.

However, there are certain communities which have been faced with untold problems by reason of Highway 401 and Woodstock is

a prime example. Originally, trucks used to use Highway 7 and use other ways to get to Toronto but now they go in a direct route from the "chemical valley" right through the centre of the city of Woodstock at the rate of one a minute.

Mr. Speaker, the cement trucks pose the biggest problem. I am not blaming the companies which have no city bypass to and from Highway 401. I am blaming past government planning, and if this is a new wave that puts people first, then let us put people first in Woodstock too, and let us divert some of the money into a bypass to link the "chemical valley" with Highway 401.

On the other hand, if this is just a political gambit as the Toronto Daily Star evidently believes, then the millions that have been wasted to date on the Spadina Expressway would have been far better spent in building bypasses around our troubled small towns, which see the wonderful effect of Highway 401 on Ontario's economy spoiled by the local effects caused by lack of bypasses and feeder arteries.

A glance at the map will show that Woodstock is in a direct line between Highway 401 and the chemical valley, and that there is, at present, no reasonable alternative to trucks passing through Woodstock.

But my point is, and I have said this for several years now, there ought to be and there has got to be—because out in the country the conviction that rural taxpayers and small-town taxpayers are being milked to pay for luxuries in Metro grows stronger and stronger every day, and in Woodstock, the Spadina Expressway is seen as blotting paper for provincial funds. And I suppose you could duplicate this with Highway 27 and other areas around Toronto. I think every time I come in along the QEW or Highway 27—I cannot recall in the last five years where there has not been some type of barricade or some different route each time you come in.

So either way I think the government has gained nothing in or around Woodstock by its decision and will gain nothing unless it follows up generally by diverting the unspent millions into a proper integrated transportation plan for Ontario of which the Woodstock bypass must form an essential part.

I would refer the government especially to issues of the Daily Sentinel Review in Woodstock, dated April 21, 26 and 29. The front page story on April 21 shows a noise meter swinging up to a reading of an intolerable 99 decibels as a heavy cement truck rumbles

down Dundas Street. Readings as high as 106, which is demonstrably injurious to health on a continuous basis, as this is, and even close to the threshold of physical pain—readings such as 106 are logged there from time to time.

I am told that at the moment the equipment—an impulse precision sound level meter belonging to the engineering department of the University of Western Ontario—cannot be used to sustain prosecution because there is no agreement between professional engineers and lawyers as to how to effectively measure and prosecute noise offences.

Yet I understand that such prosecutions have taken place in the United States and have been successful, so why not here in Canada? If we have to change our laws, why not? The people are certainly ready for a law of this kind. Some of the people in my area are now at the breaking point.

There is in existence the Dillon report regarding the traffic problem in downtown Woodstock. It was prepared by Municipal Planning Consultants Limited, of Toronto, 10 years ago, and has since been updated and it recommends a one-way street system for those downtown areas. But this will only be effective as a noise and congestion reducer, if it is coupled with a bypass proposal, and here is where the provincial government has to move in and distribute some of the Spadina-type money to Woodstock, and I am sure to Guelph, to Stratford and to other communities which have also problems of this nature, although theirs are of access rather than endurance and survival as are Woodstock's.

An out-of-town truck bypass is recognized as an essential by all who have intimate contact with this problem, and I lay this issue once more at the feet of the government, a government which is so wasteful with its expenditures on spaghetti junctions that will see little or no use. And I ask when are you going to do the right thing for the vast majority of taxpayers who are fed up to the teeth paying for Metro's will-o-the-wisp schemes that never seem to come to anything but which always seem to be eating up the sales and other taxes that the people of Oxford and other townships and counties have to work so hard to earn.

Another angle on this is the adverse effect on Woodstock's economy of the downtown traffic situation. I can see the point of downtown shopping malls closed to the automobile in a city like Toronto where people can take the subway or walk a relatively short distance to the shopping and pleasure malls.

But in the city of Woodstock, as in other small towns throughout Ontario, people come from far and wide, from the concessions stretching over the country and the agricultural area, to shop in the city, and the only way they can travel is by car. This means that parking has a legitimate place in the streets of the city as well as in the off-street parking that the municipality can afford.

In this situation which is repeated throughout Ontario provision must be made for parking close to the downtown business section and this can only work in conjunction with the direction of traffic according to its goals. Though traffic is out of place in what we want primarily to be a scene of bustling commerce. When we ignore this fact of life then business falls off and the whole economy suffers. It is not too much to say that the increased economic activity that would have been generated in downtown Woodstock had the one-a-minute trucks not scared people away, would have more than paid through increased revenue in sales tax to the province in the long haul, for the capital grants of the bypass. And I suspect that what I say about Woodstock is true for many other municipalities in similar circumstances throughout Ontario.

Now I want briefly to turn to two other issues which have concerned me of late. Last week I had a man, whom I will not name, come to my door. Against his doctor's advice he had walked four miles from his home to mine on a badly damaged leg which was likely to turn gangrenous. I drove him home since I could not stand the pain and suffering he was going through.

Yet he had no choice but to seek me out. I was sort of what you would terms his ombudsman, as so often we all are in such circumstances. He was penniless because he had been injured in an accident which had been brought to the notice of workmen's compensation where it was awaiting the disposition of the claim. Meanwhile he had run out of money and he had only spent an interim sum that had been provided by welfare, on his family.

A little earlier, when the dead elms programme was in full swing, I had a similar case where the man fell and injured his knee badly, and again had to wait too long for the attention of the Workmen's Compensation Board. In both these cases I gave what help I could and I was able to speed up things a little and get the cheques on their way.

However, the point I want to make is that this kind of thing happens all the time, almost every day of the year, and the stigma attached to going to welfare is just too much for a man with a lifetime of pride and independence behind him.

I think that we have to have an interim assistance fund that can make money available quickly, without the stigma of welfare attached to it. Perhaps it is the same kind of money, but the name must be changed and the necessary federal and provincial enabling legislation brought in to see that this aspect of general assistance—the interim assistance fund—is established, free of stigma, as a citizen's right.

I appeal to the government to correct this discrepancy which is so evident and which happens so many times in the province. I

feel that the individual who has paid high premiums to ensure that he would be as well off before, as after, an accident has the right to ask for this protection.

Surely the individual should expect that he can maintain his dignity in society without being harassed by civil servants who consider that the individual is imposing when he asks for aid.

Mr. Speaker, this seems to be an appropriate time to move the adjournment of the debate.

Mr. Innes moves the adjournment of the debate.

Motion agreed to.

It being 6 o'clock p.m., the House took recess.

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Legislature of Ontario Debates

OFFICIAL REPORT — DAILY EDITION

Fourth Session of the Twenty-Eighth Legislature

Thursday, June 17, 1971
Evening Session

Speaker: Honourable Fred McIntosh Cass, Q.C.

Clerk: Roderick Lewis, Q.C.

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HOUSE OF COMMONS

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LEGISLATIVE ASSEMBLY OF ONTARIO

THURSDAY, JUNE 17, 1971

The House resumed at 8 o'clock, p.m.

ON THE BUDGET

Mr. G. Innes (Oxford): Mr. Speaker, when the House adjourned I was about to start a point in respect to car licence plates. I think all of us agree that the way we issue car licence plates in the province leaves a lot to be desired. I am fed up, and so are most of my constituents, with seeing people having to line up in the coldest season of the year to buy their licence plates all at one time. There is no sense in this practice at all.

The Department of Transport has long recognized that the issuance of drivers' licences is helped by issuing them on the birthday system, and by issuing licences for more than one year at a time. Why not do the same for vehicles, using the day of manufacture or the date of the first retail sale and registration—I do not care which—as the key date in the life of that vehicle, the renewal date, either on an annual basis or perhaps, at the option of the owner, since large sums might be involved, on a multi-year basis.

Such a practice would spread the workload of the department in an even manner and would make for practical planning of the department's affairs.

My further proposal is that we adopt the New York system and handle all vehicle renewal licences by mail. I suggest that the only reason the government is unwilling to do this is that it would lose what it regards as a valuable source of patronage, in the political awarding of licence bureau franchises.

Certainly there is no logic in all of this present practice, and it is high time we abandoned it in favour of the proposal I have advanced. I hope the government will recognize that the building up of citizen antagonism more than counterbalances the gains of old-time patronage, that voters are too sophisticated to buy that kind of tactic these days, and I do hope that the government will act to put its house in order

before too long. Certainly this is one area where it is long overdue.

Mr. Speaker, I wanted to say a little bit about agriculture. As you know, the estimates have just been completed and the subject was pretty well covered. However, I would like to stress a few points that cannot be repeated too often.

I do wish to emphasize that the financial squeeze facing many of the farmers in the province at the present time is almost unbelievable. Certainly the low prices to the farmers for the products they produce are brought about primarily by what we term overproduction. I only need to quote from the London Free Press of last week, and I notice another article in today's Toronto Daily Star, where Sam Weisberg, president of Sunnybrook Meat Packers of Toronto, said he has been forced to illegally import Quebec-produced chickens because large Ontario processors have raised their prices.

Well, Mr. Speaker, this is the point I wish to make. Certainly they will vie where they can get the best deal. Mr. Weisberg, who is a director of Sunnybrook Food Products Limited, was selling fresh broiler chickens just this week at 39 cents a pound, or about 10 cents a pound less than the current Ontario price. Large grocery chains are still doing this, the same thing every day of the week.

You know, a few weeks ago we passed a new bill here, Bill 10, and it was hoped that this would correct some of the situations that are going on in the province, and, while we did not vote for it at the time, here it is, it has been passed and they are not taking any action on it. So, what was the use of even passing it? This points out the urgent need for a type of supply management, or, in other words, producing what the market can absorb.

The Department of Agriculture and Food has been making token approaches to this theory but there must be a serious attempt to project the demands of the market to the producers. We still have our "ag reps" and our specialists advocating how the farmers can produce more for less, forgetting,

mind you, that if they overproduce they could very well end up in a bankrupt position.

And incidentally, many of them are finding themselves in this position today. I would strongly urge the department to set up a liaison in all their departments to assess the market trend, or should I say, some type of a market prospectus to let the farmers know what they should produce at the present time and also the future demands, and with an estimated price of what they could be expected to receive.

Mind you, we have grain futures, very many futures, and yet we, in the department here, seem to be dragging our feet to the extent that we say: "Well, it would be pretty hard to do this."

Well, with the amount of money we are voting for The Department of Agriculture and Food, I think that some of these people who are so prone to tell the farmers how they can make money should have the ability to project the demands that the market needs.

This, in fact, is what takes place in milk marketing in the province, and also in the Tobacco Marketing Board. The Milk Marketing Board—we had them before the committee on the physical and natural resources yesterday—indicated to us that the drop in milk production of around four per cent was primarily due to the farmer receiving more money.

In fact, the farmers who were getting the best returns were in the fluid milk industry and they indicated that 800 new producers went into this particular number 1 pool last year. So there will be a continual trend towards giving the farmer or the milk producer the best dollar for the products he produces.

And while we find that it may be to the detriment of some of the products, such as butter and cheese, they indicated to us that if we are going to keep viable farms, if we are going to keep the farmers in the business without subsidizing them in some other way, we must look to getting them the highest dollar for the product they produce.

Now while I am a little bit sceptical of doing away with the milk that is going into the butter industry, the cheese industry, there certainly is a point in what they are saying. We have the same type of marketing in the Tobacco Marketing Board, where we pattern our acreage to the demand of the market and each year they watch the trend of the export market in relation to the domestic

market; and they have maintained their price over a period of years. And this is what I hope The Department of Agriculture and Food would work toward in all products, by initiating some incentives on the part of the people in the various areas of marketing so they will know where they stand.

Mr. Speaker, time is running out for the farmers, and if we are going to save the agricultural industry in this province, we must act and we must act immediately. I would be remiss if I did not remind the members it has always been known that if we have a healthy agricultural economy, so the rest of the economy is healthy too.

Mr. Speaker, I close with the thought that while we are trying to do the best we can in agriculture, I think we have only scratched the surface and that we must get down to serious thinking and let the people who are producing the basic products of this great country of ours be rewarded in the way they should be.

Thank you.

Mr. R. F. Ruston (Essex-Kent): A very good point.

Mr. M. Gaunt (Huron-Bruce): Who is next?

Mr. P. D. Lawlor (Lakeshore): The member for Peterborough (Mr. Pitman).

Mr. Innes: Maybe I had better run it through again.

Mr. Speaker: According to the list furnished by Mr. Speaker, there are two other speakers who should be available and neither is in the House. I do not have any further list. Unless there is a speaker ready to go on, there is no use in the House continuing to sit.

Mr. G. Bukator (Niagara Falls): The member saved the day and spoiled the night actually.

Mr. H. Worton (Wellington South): Tell the members what you think of that now.

Mrs. A. Pritchard (Hamilton West): Mr. Speaker, I am very sorry if I have spoiled their fun, but I was called to the telephone.

Mr. Speaker, it is my pleasure to congratulate the new provincial Treasurer (Mr. McKeough), on what I consider to be one of the first and most sensible budgets ever presented before this Legislature.

Mr. M. Gaunt (Huron-Bruce): The member better be careful with that one.

Mr. J. Renwick (Riverdale): The member does not believe that.

Mrs. Pritchard: I am particularly pleased with the attitude this government has taken with respect to the federal government's attempt to stabilize unemployment and economy of not only our province, but the entire country.

I make this statement without any reservations, Mr. Speaker.

Three years ago—

Mr. P. D. Lawlor (Lakeshore): None?

Mr. J. Renwick: None at all?

Mr. Lawlor: That is remarkable.

Mrs. Pritchard: —the Liberal government of Canada set out to curb inflation with the full knowledge that their policies would create mass unemployment. These policies were regarded as nonsense by many economists, including the government of Ontario. However, the federal Liberals persisted. In December, 1970, Mr. Speaker—

Mr. Lawlor: Real economic weirdos, eh!

Mr. Pritchard: —the Prime Minister of Canada proudly announced that unemployment had become the foremost problem facing the country. He stated boldly—and I quote:

We have won last year's victory, the one against inflation. It is obvious from the statistics of the past two months that inflation no longer exists in Canada.

The hon. members sitting opposite must have been proud of their Liberal friends in Ottawa. "What a victory!" they must have said; as did the Ottawa Liberals.

Well, it was some victory.

Here is what has happened since.

Inflation in Canada during the first quarter of 1970 soared upward by 1.2 per cent—the largest advance for this quarter in over a decade—according to the latest DBS statistics.

And unemployment, well it has remained above the six per cent mark for about a year now with no end in sight. The continuing large number of persons unemployed during 1971 points to a stagnation of the Canadian economy. There is no sign that the economy is moving toward its full potential.

What have we got to look forward to? The outlook for 1971, according to economists, is a continued unemployment rate around the six per cent level, a level that is totally

unacceptable, plus a cost of living index which will hit four per cent over the year if the present rate of increase continues.

It is a small wonder, Mr. Speaker, that the provincial Treasurer's budget for the 1971-1972 fiscal year shows he has little hope of success for the federal government's fight on inflation and unemployment.

This is perhaps why he has strongly urged the federal government introduce further positive measures to reinforce the economic expansion and create jobs. At the same time, he has warned that he does not regard increased federal spending as an appropriate means to this end.

Instead, he has asked for:

1. The elimination of the federal three per cent temporary surtax to increase personal and corporate incomes by some \$250 million across the country.

2. Introduction of income tax credits to reduce the tax burden on low-income Canadians.

3. The taking of positive measures to reduce long-run interest and mortgage rates and to lower the exchange value of the Canadian dollar.

These would serve to increase consumer purchasing power, stimulate exports and restore business confidence and willingness to invest.

However, Mr. Speaker, the provincial Treasurer is not asking the federal authorities to do the job alone. Indeed he has undertaken extensive measures in an effort to stabilize the economy.

One important step undertaken was to control public spending. Another was to attempt to restore full employment in Ontario by tax cuts which encourage investment and expansion of the private sector activity. A third was to create work, particularly seasonal work, to the highest degree possible which resulted in the creation of some 14,000 jobs for our people over the past several months.

It is my firm belief, Mr. Speaker, that success cannot be overlooked. I say this for we in Ontario continue to enjoy the lowest rate of unemployment anywhere in Canada despite the fact we make up one-third of the population of the entire nation.

Certainly there must be something said for the efforts of this government because of our apparent stability as compared to other jurisdictions across the country which are not as fortunate as we are.

However, despite our comparatively low level of unemployment, Mr. Speaker, we do have a segment within our society which I feel has fallen into a most unfortunate situation. This segment is often referred to as the working poor. This is the segment of our society which prefers to work rather than to go on welfare; the segment that is caught up in an age of automation; the segment that has been doomed to remain the poor among the poor.

Mr. Speaker, it is an established fact that 25 per cent of the population of our country is living below the poverty line. A lesser percentage is at that line or just above. If included with the 25 per cent who live below the poverty level, it brings the total to about one-third of the entire population. This is a high poverty rate for a country with the fourth highest per capita income in the world and it does not seem to be improving much even though the federal government's biggest yearly expenditure is for social welfare.

According to a brief presented some time ago to the Senate committee on poverty by The Department of National Health and Welfare expenditures for social security by all levels of government—that is federal, provincial and municipal—total \$6.5 billion. At the time of the report, two million Canadians were receiving some form of social assistance. Incidentally, the poverty lines set up by the Economic Council of Canada as of 1968 are: For a single person, \$1,800; married couple, \$3,000; family of three, \$3,600; family of four, \$4,200; family of five or more, \$4,800.

This, of course, Mr. Speaker, is the poverty line for all of Canada and in a number of cases is very much out of line as is the situation in my own riding in the city of Hamilton.

Nearly two years ago the poverty line for a single person in Hamilton was established at \$2,200; \$3,200 for a couple; \$4,800 for a family of four; and for larger families the line is over \$5,600, moving progressively upward to \$7,700 for a family of eight.

The reason, Mr. Speaker, I have brought these figures to the attention of this House is that I deem it deplorable that a country such as ours, considered to have the fourth highest per income in the world, should have such a high poverty level. I do not feel that this is necessarily the result of income. Our working poor are generally the result of an excessively high cost of living.

To be quite blunt about it, it costs the working poor the same for a loaf of bread as it costs the not so poor or the rich. It costs

them the same to travel to work, to pay for heat, light and so on. Yet their income is far less than the average.

Part of the answer to the problem, Mr. Speaker, has been suggested by the hon. Treasurer. He suggests that income tax across the board is of no help. It must be in the form of incentives in other ways such as the provision of better, higher paying jobs and more of them so that the working poor can work a full 52-week year at a reasonable rate of pay.

That is why I am convinced that the government's move to finance tax cuts to produce a massive stimulus to business investment is a valid one. Tax cuts in this area can be more appropriately implemented for a limited period; they have the important effect of expanding the economy's productive capacity in ways which relieve inflationary bottlenecks.

While we are unable to increase individuals' incomes through direct income tax reductions, several of our actions in the area of municipal finance will have important indirect results to this effect; the control of school board spending; increased municipal and education grants and increase property tax rebates that have already proven so successful.

The federal government's efforts have not.

There is one other matter I want to bring to the attention of this House, Mr. Speaker, which I consider to be of extreme importance, and that is the status of our female population in this province.

Although I do not condone the views of the somewhat radical groups which lately have been attempting to gain recognition for women, I am of the firm belief that we do not take advantage of the potential that is available to us.

The fallacy that woman's traditional role is that of wife, mother and homemaker has been effectually exploded, particularly since the Second World War. Traditionally, men are supposed to have a superior knowledge of politics, economics, business and finance and the related professions.

Fundamentally, man is woman-oriented. From infancy to adulthood woman is his nurse, consoler, confidante and helpmate. No one wishes to change this historic role, but today the pattern has changed. Women now enjoy the advantage of equal educational opportunities, which has opened the way for them to enter the professions, which hitherto with few exceptions were exclusively male.

Women are now ensconced in the professions and successfully taking a leading role. Even the hallowed ground of the church is wavering.

Women are changing the environment, although there is a strenuous objection to married women working and in many places she is considered a threat.

Progress has been made and concessions such as the equal-pay legislation have helped the cause and alerted the public to the great potential of woman-power. Our modern concepts and the powerful media of instant communications have drastically changed the status quo and, like it or not, women are involved in the change.

The status of women report has made some excellent recommendations; the implementation is something else. Here are some of the major recommendations. I am sure the majority of men here have not bothered to read the tome that was produced by the committee.

Mr. Lawlor: Oh, come on now; my wife made me!

Mrs. Pritchard: Basic principles. Women should be free to decide whether to work inside or outside the home. The care of children should be a joint responsibility of parents and society. Women need special treatment because of pregnancy and childbirth. Women for a while will need special treatment to overcome discriminatory practices.

Of the recommendations, 67 deal with women in the working world and to name a few: Social: Abortion on request of any woman pregnant for more than 12 weeks if the continuation of the pregnancy would endanger her physical or mental health and also if there is a substantial risk that if the child were born it would be greatly handicapped, either mentally or physically.

Sterilization on demand for birth control reasons, birth control information to be available to everyone.

Restrictions of marriage to persons at least 18 years old. At present, one can be 16 in British Columbia, Alberta, Manitoba, Nova Scotia, Prince Edward Island; 15 in Saskatchewan, the Yukon and Northwest Territories; 14 in Ontario; 12 for girls and 14 for boys in Quebec and there is no minimum in New Brunswick.

Liberalization of divorce laws to permit a husband and wife who have lived separately for one year, rather than the new re-

quired three, to get a divorce based on the marriage breakdown.

Better job opportunities—governments at all levels should study feasibility of making greater use of part time work in the economy because it would help women achieve equality of opportunity in employment and alleviate the feeling of alienation from society from which some housewives suffer.

More public service career advancement opportunities for women including consideration of secretaries to administrative positions and of women for administration trainee positions.

Crown corporations and agencies should require each company with which they do business to include in each contract a clause prohibiting discrimination in employment on the basis of sex.

Stock exchanges should eliminate references to sex in their bylaws. At present, Winnipeg and Calgary have bylaws prohibiting the appointment of women as members while the Montreal, Canadian and Calgary exchanges require that traders on the floor be men.

Eliminate advertising and other practices that label employment by sex to free women from the idea that certain jobs are women's and certain others are men's. University placement officers should refuse to set up interviews for students when a firm specifies sex preferences.

Political and judicial: Significant increases in the number of women appointed to the Senate, judiciary and government bodies of both federal and provincial levels. For a start, two women senators per province are suggested. There are now 11 vacancies in the Senate while six women are now members. In 1969, there were only 14 women among the 889 judges and magistrates in Canada and no woman has ever been appointed to the Supreme Court of Canada, Exchequer Court, or any of the provincial courts of appeal.

Women's organizations should amalgamate with the main bodies in political parties. The attitudes of men in political organizations must change toward women, because it is usually tougher for a woman to win a party's nomination than for her to win an election. They claim the abolition of women's auxiliaries would eradicate their image as envelope-stuffers and tea-pourers.

Women should be required to serve on juries on the same terms as men. In Quebec and Newfoundland, women are not eligible for

jury duty; in Nova Scotia, British Columbia and the Territories, they serve under the same conditions as men; in Ontario and the other provinces, a woman may be excused because she is a woman or she will not be called unless she gives notice of her willingness to serve.

Women should be placed in small open institutions where they can be rehabilitated more easily instead of being sent to the women's prison at Kingston because women do not commit violent crimes and do not need a maximum security setting like Kingston.

Financial: Guaranteed annual income to heads of one-parent families with dependent children. Taxable cash allowance of \$500 a year for each child under 16 years of age for the mother from the federal government. Husbands and wives, who so choose, should be able to file joint tax returns with a special tax rate schedule. Those provinces that still levy succession duties on estates passing between spouses should eliminate them. A federal-provincial conference on labour legislation to ratify the international labour organization convention concerning equal remuneration for men and women workers for work of equal value. Amendment of federal Female Employees Equal Pay Act to apply to all federal government employees. Equal pay legislation of provinces and territories should contain practical definitions to ensure universal observances of equal pay for equal work.

Pay rates for nurses, dietitians, home economists, librarians and social workers employed by the federal government should be set by comparing these professions with others in the terms of value of work and skill and training involved.

Further investigations: Establishment of three bodies to carry on its work:

(a) implementation committees at the federal, provincial, territorial and municipal levels to plan how to put recommendations into effect; (b) human rights commissions at federal and provincial levels to protect all Canadians. These are necessary because current commissions, like Ontario's, are inadequate because the government can sometimes be an offender; (c) National status of women council. This is necessary because social customs relegating women to an inferior position may live on even when anti-discrimination laws are scrupulously observed. It would operate under an independent, appointed board that would report annually to Parliament.

Mr. Speaker, the tyranny of nature no longer restricts women's efforts. She is free to

take her place in any sphere of activity to show her capabilities in her chosen field.

In short, nothing now prevents a woman from entering the business, professional or political life. In the real place of power—governments at all levels—the number of women is pitifully small. Women themselves are much to blame. We live in troubled times. It is vital that women exert their influence by getting into the man-monopolized political arena.

The structure of Canadian political life is composed of three levels—municipal, provincial and federal. Each with its separate powers plays a tremendous influence on our way of life.

Women are in a sad minority in all levels. Municipal councils, the closest to the people, are a splendid training ground and require no party support. One can enter this field without restraint. The opportunity is there and women are badly needed.

At the federal and provincial level, party support is necessary and there is indeed a challenge to get the nomination, but unless women are prepared to compete with or challenge the male politician, the next 25 years will be as barren of woman power at the top levels as it is in the present decade.

Not all women are able or willing to take on such a venture, to tackle the problems involved. But all women over 21 have a vote, and woman's strong support for her intrepid sister will turn the tide and give a better balanced power so badly needed and permit women to play a vigorous part, to serve and be heard in the land.

Modern political life is like the tower of Babel, where a confusion of ideas prevents us from communicating the real issues and problems and, more important, from solving them. The intelligent observer of the news media, TV, press, etc., must allow for this and not be discouraged.

It is a fact of life that democracy is not perfect, but it is the best system we know. As Plato said, "The ideal candidate is the reluctant one," and most women are reluctant. Let us look forward to the future quarter century, hoping for a better balanced government and greater prosperity for all in this abundant province of a great country.

Again Mr. Speaker, referring to women, if I can come back to it, between 1920 and 1970—only 49 women were elected to provincial legislatures, and in June, 1970, 12 women were members of provincial Houses.

There have been 134 federal and provincial elections between 1917 and June, 1970, and 6,845 people have been elected. Of this grand total of 6,845 people elected, only 67 were women. That is just under one per cent of the total, a pretty dismal percentage.

Women are a sad minority in all levels. Municipal councils, the closest to the people, as I have just said, are a most splendid training ground. I am hoping some of the women will take a good look at this next coming election and we will have a few more women nominated and, hopefully, take their seats.

Now let us look to the future quarter century, hoping for a better balanced government and greater prosperity.

The economic conditions and the resulting unemployment have had a devastating effect upon our people in the past three years. However, we in this province do not intend to sit back and wait for others to right the wrongs that have been forced upon our people by the federal government. We intend to do everything within our given power to continue on the path of growth and development.

I am certain that the members opposite will tend to utter again the stale, worn-out phrase which has become a way of life to them, which is: "You have not done anything." I suggest, Mr. Speaker, that such phrases come from the mouths of those who are either blind to the facts or simply not capable of seeing what is actually being done by this government.

For example, a great deal has been and is being done in just one small area which is of particular interest to me. I am talking about nursing homes. This government has just made a commitment in this respect which will cost some \$100 million a year within the next three years. We, on this side of the House, felt the programme was indeed most timely and necessary. We must provide for those who are not quite capable of doing so themselves—we owe it to them as citizens of this province.

So what does the opposition carp about? They get all uptight about the recommendation that those who can well afford it should pay a fee of \$3.50 a day.

Mr. M. Shulman (High Park): We get uptight about the 10-year delay.

Mrs. Pritchard: In my opinion, it is simply a lack of initiative and imagination on their part. Instead of griping, they could have

presented some logical alternative such as provision—

Mr. H. Worton (Wellington South): That is what we are doing right now.

Mrs. Pritchard: —of similar or identical assistance to our handicapped people in the province who, indeed—

Mr. E. Sargent (Grey-Bruce): We are doing it now.

Mr. Shulman: We have been doing it now for two years and the government did not listen.

Mrs. Pritchard: —should be the next group to receive consideration. It is a known fact, Mr. Speaker, that many of our so-called handicapped persons would welcome any assistance comparable to that which we are presently offering—

Mr. S. J. Randall (Don Mills): The member for Grey-Bruce has never had a logical opinion.

Mrs. Pritchard: —to those who require nursing home care.

It is interesting to note, too, that the assistance that will be provided under the nursing home care legislation, will serve a twofold purpose. It is going to provide assistance for many of our senior citizens who so rightfully deserve that assistance at little or no cost. It will also serve to free many hospital beds which to this time have been occupied by persons who require only nursing home care.

Mr. Shulman: The member is reading the speech from last year of the Minister without Portfolio (Mr. Potter).

Mrs. Pritchard: I might add, Mr. Speaker, that the day rate of a hospital bed can be extremely expensive. For example, the average rate for this province is nearly \$54 per day for active treatment. But that is only the average. Some teaching hospitals in our province have a rate in excess of \$75 per day, many times the cost of a bed in a nursing home.

Mr. Shulman: Is the member sure she has the right speech?

Mrs. Pritchard: Another programme which has been of the utmost interest to me is the tremendous development in recent years of senior citizens' housing.

Mr. Sargent: It makes good Hansard.

Mrs. Pritchard: Personally, I am delighted with the progress that has been made in this respect. It is through this programme that we have come to find that our senior citizens perhaps are not quite able to maintain a large home, but can take care of their needs quite well in a housing situation which does not require as much care.

Hamilton is a prime example of this success. Today we have—unexplainably to some people but I recognize it is the easiest care method of housing—we have 90 empty beds at Macassa Lodge, which is unheard of.

Mr. Speaker, before closing my remarks, I would like to say how much I, although a woman, have enjoyed the privilege of serving as a member of this Legislature. It has been a tremendous challenge but a most rewarding one. In fact, sir, it is an experience that I shall always cherish, for aside from all of the drudgery that goes along with the job, it is one of the most enlightening that I have ever undertaken.

I have always enjoyed, I hope, good relations with the members of all parties and I no doubt will miss you all. I must presume, Mr. Speaker, that this is my last speech in this House for I do not intend to run again in the next election, whenever it may be. I have already stated so publicly, and as a matter of fact a new candidate has already been chosen for my riding.

My only wish is that whenever the next election does take place a list of candidates will include a great many more women than before. It is in this way that all the people of this province, male and female, will have the best representation possible.

In parting, I have this small observation. It is that the male population of our province should not lull itself into false security. Women have been known to step quietly onto other forbidden grounds and we shall do it here if the need arises.

I only hope that when we do, it is not because of a desperate need, but because women would like a stronger voice in the affairs of their province and country.

Finally, Mr. Speaker, Hamilton is presently celebrating its 125th anniversary. Under the chairmanship of Mr. Robert Gregson, the programme is exciting and everyone is doing their utmost to make it a memorable occasion. I am sure everyone here will join me in saying "happy anniversary, Hamilton."

Mr. Gaunt: We will miss the member.

Mr. Randall: One of the better speeches this year.

Mr. Sargent: The member can run on our ticket any time.

Mrs. Pritchard: Thank you.

Mr. W. G. Pitman (Peterborough): Mr. Speaker, I want to congratulate the previous speaker on what I consider to be a very forthright and very helpful contribution to the work of this House. I must say that her comments on the future role of women is one I can most certainly agree with. I would hope that the next House will, indeed, have several women in it and that they will be able to play an active role. As someone has said, they cannot do any worse than men have done over the past 25 years.

Tonight, Mr. Speaker, I would like really to talk very generally about a number of things which I suppose come very vaguely within the area of a budget speech.

Mr. E. Sargent (Grey-Bruce): How about the NDP leadership race?

Mr. Pitman: I would like to talk a little bit about government; a little bit about the quality of life; a little bit about Ontario and its relationship, not only to Canada, but to the world; and perhaps the importance of this provincial Legislature.

I might say that I, along with the previous speaker, have enjoyed my years in this Legislature as well.

Mr. M. Gaunt (Huron-Bruce): Is the hon. member retiring?

Mr. Pitman: No, I do not intend to retire. I want to assure the members on the front benches that I do not intend to retire. I intend to be very active over the next number of weeks and the next number of months, depending on what the Prime Minister's (Mr. Davis') decision is in relation to the next election.

But I must say that it has been a very great surprise to me. I would like to say that just after I was elected—it hardly seems 3½ years ago—I met a federal cabinet minister who talked rather disparagingly about this place before I arrived here; who called it nothing but a glorified county council; and said that the members really did not do anything very important down here, that I would be bored to tears, and that really I was wasting my time. I cannot say that anything could have been further from the truth than what my

experience has been in this House. I have found it worthwhile and exciting and I honestly do believe that what we talk about here in this place has far more to do with the well-being, with the quality of life—to use a very much overused phrase—than perhaps any other forum, either municipal or federal.

I think the programmes we discuss and debate, confront each other over in this Legislature, indicate the kind of future the people have in this province, whether they will have a future which is fraught with health cares or not, whether they will have equal opportunities for education, or whether they will not have these opportunities—even to some extent perhaps smaller than in those two other areas, whether they will have a job or not. Certainly, we in this Legislature have a great deal more to do with what kind of countryside, what kind of lakes and rivers, what kind of cities, what kind of decency and humaneness will be possible in our cities, than has any other Legislature.

I suppose more than any other area, we are at the centre, and in a very real way I think we have a good deal to say about what can be done at the federal level, and what is possible at the municipal level.

And so I think our responsibilities in this Legislature are very heavy, and it has not been a surprise to me that we have spent more and more time sitting in our places, debating the affairs of this province and trying to find solutions to the problems which confront the people of Ontario.

I suppose the main problem we have in this province is that we are fraught with the disaster of conservatism, in a society, in a world which is moving so very quickly. It is scarcely possible for a person who is thinking ahead, who is trying with all his intellectual might, to reach for what can be, and what is likely to be, but it is—I would suggest, Mr. Speaker—a disaster for those who are looking behind and who are still so overwhelmed by the little progress they have made they are unable to conceive of what could be.

And this is the very real price of conservatism over one-quarter of a century in this province. There are small prices, the small prices such as the Spadina Expressway. A government which was thinking and which was planning and was sensitive and involved would have realized that the motor car was on its way out five years ago, would have begun to think through a total transportation scheme for the Province of Ontario.

Instead we have a government which has simply struggled and finally conceived that this is the point at which it must stop, and now we have to pay all the expenses of misappropriated funds for various things.

And of course we still do not have—I have been here for 3½ years and we still do not have any reform of taxation in the province. We still have a government which is prepared to stand back and wait until the federal government does this or does that, instead of moving decisively and effectively in controlling those tax resources which it does have control over.

We still have a province which has no plan either for transportation or for communication and the interrelationship of all these aspects of our life. We still have a province and a government which has no plan for recreation or for the land use of this province. We still have a province which has no real plan for urbanization and the kind of developments—

Mr. Sargent: Their plan is to get re-elected.

Mr. Pitman: —of urban techniques. All we have is a government which has struggled to cope day by day and week by week and then not very well with some of the more obvious problems, crises which have come to pass in this province.

We still have no overall plan for health services, we still have a shortage of doctors even though we know there could be enough medical services for the people in this province. We still have older people who cannot find a place to stay. We still do not have nursing homes. We do not have a total spectrum of health needs, at least of health services to cope with the needs of our people.

Mr. Gaunt: And we only graduate 372 doctors a year

Mr. Pitman: And yet here is a province which has immense wealth.

Mr. Sargent: Ever try to get a doctor; ever try?

Mr. Pitman: Tremendous potential!

Mr. Sargent: Did you ever try?

Mr. Pitman: People with vision, people prepared to work, and we still have not any kind of overall direction in terms of picking up the unemployment which the federal government has caused.

Mr. Sargent: Doctors have unlisted phones!

Mr. Pitman: So I say to you, Mr. Speaker, that in spite of all the potentiality, the potentiality becomes dust in our mouths as we see the reality. And particularly as we measure the reality with the possibility. This is really, I think, what we have to judge this government on.

Mr. Sargent: They have to be convinced in the member's own party as well!

Mr. Pitman: And I think it is particularly unfortunate and particularly I think disastrous that the Prime Minister of this province has decided he is going to take to the province some kind of weird confrontation between those who are in favour of big government and those who are in favour of little government.

It seems to me that is not the question at all, and the Prime Minister knows it well. He knows it is not whether we are going to have government playing its role in this province, or government which is prepared to step back and provide more elbow room, as he would call it, for the private sector.

Of course, it is very popular to be against big government. It is very popular until you decide what government services you are going to give up; what government services are no longer going to be given. Or the area in which the government is not likely to move.

I must say that I have in the past mentioned to this House an article which I always find very helpful; it was called the *Sickness of Government*. In this article Peter Drucker, the author, deals with this whole problem of government trying to come up to the expectations of people. He takes the inadequacies of government agencies as he sees them in all parts of the world.

The problem is not certainly whether we are going to have big or small government. We are going to have government which must play an increasing role in the life of our people whether or not we want that. To set up that alternative, it is not an alternative of little government or a big unresponsive, expensive government, but rather whether we can make government responsive, sensitive, participatory; whether we can make government, you might say, an institution which is totally in tune with the people and what they want as well as, you might say, the intellectual thrust which shows in what direction our society is moving.

I must say that it is a weird analysis for the present Prime Minister, because he perhaps more than any other person on that side of the House has created big government.

It was the Prime Minister who, as the head of a department, created a larger area of government activity than any man in this government in the history of this province.

It was the Prime Minister who had a government which increased and enlarged the jurisdictions for education without local input.

It was the Prime Minister who brought this kind of a schooling system in without providing adequate safeguards for participation on the part of parents, and students and even teachers in the educational system.

It was the Prime Minister, as the head of a department, who did not foresee there would be particular financial grievances when he tried to reorganize a schooling system without recognizing that there was a financial base upon which this reorganization must be based.

Indeed, it is a strange thing that the Prime Minister should have brought this up as the basis for his election expectations during the coming fall.

Government is not a faceless monster imposing its will irresponsibly, gobbling up tax money, taking over the lives of people. It does not have to be that at all. Because people, I think, are wise enough in this day and age to realize that they can, if they wish, impose their will upon this government and not through confrontation, not just through the ballot boxes, because that is, of course, an idea of democracy which is long gone.

People have a right to participate between elections and they are finding the ways and means of doing so. It is a very stupid government indeed, which does not recognize those ways and means and does not provide more avenues by which people can confront those who have been elected, to bring to bear pressures upon those who have been elected, to bring ideas to the attention of those who have been elected.

And this, of course, has been the fatal flaw of the Conservative government. The inability to recognize what these needs are and the means by which these needs have been expressed by the people of this province.

The people realize that they can be served better by a sensitive government agency under their control than by 200 or 300 insurance companies, whether it be in the area of health services, or auto insurance, or legal services, or what have you.

They know that they can be better served through something which they can control than by General Motors, or Ford or Westinghouse or any other corporate elite, especially when they know that decisions being made by these companies are not even being made in Canada by Canadians but are being made in the United States by Americans.

That is something that I think the people of the province are no longer prepared to accept, particularly in this day and age as they see what has happened to the civilization, and the society and the way of life in that country below the border.

I say this very sadly, when I see the extent to which even a basic democracy, the democratic ideal of the free press, has been undermined, for they see a government which now has engaged itself in a war which is unpopular, even to those who originally began that war. I see no way of coming out of this kind of a mess.

I say we do see on this side of the House, and particularly in this party, notably in this party, perhaps uniquely in this party, a concept of government whereby a political party can reach out to people, can find out what they want and what they think and help them decide what they should want; and we can bring these into some kind of reality within a government structure which can then remain sensitive.

We can decentralize, provide block grants so the initiative remains with the people in local areas. That is the kind of government that we, in this party, are seeking to build and we hope to have the opportunity to build that in the Province of Ontario after the next election.

In passing, we might like to ask: "Who is the Prime Minister going to unload?" Is he going to unload his Minister of Health (Mr. A. B. R. Lawrence)? His Minister of Health who wants to provide a whole series of different health services—

Mr. P. D. Lawlor (Lakeshore): Unload all right!

Mr. Pitman: —only in part to the private sector, and certainly with the whole financial system organized to the public sector? Is he going to reverse the trend in medical care, in hospital care? Does the Prime Minister really think the people want to be able to pay for their hospital bills, their doctors' bills in the marketplace? Is he going to hold back the Minister of Trade and Development (Mr. Grossman) in his really, very minimal and

certainly not very substantial plans for enlarging the housing accommodation of this province?

Is he prepared to say that the only people who can buy houses or have single accommodation in the Province of Ontario are people in the top 15 per cent of the wage structure in our society?

How about education? Are opportunities in education now going to be restricted rather than opened, widened? I think this is the kind of debate which is meaningless. It is the kind of debate which is demeaning, the kind of debate which is pointless, the kind of debate which arouses all the fears and shibboleths and myths which were better laid to rest, one would think in a sophisticated province like Ontario.

Because the Prime Minister knows, and everybody in this House knows that over the next four years we have certain challenges, certain problems to face and they will be faced by the public sector and they will be paid for through the public purse.

Pollution control—does the Prime Minister really think that pollution control can be done by everybody privately? The whole area of the leisure society and the development of recreation land—are we going to start selling Crown land again? That is not what the Minister of Lands and Forests (Mr. Brunelle) tells us.

Are we going to sell away more of our beaches, more of our wildlife, wilderness areas? I hardly think so. Surely, Mr. Speaker, the election which we are to face, in which we go face to face with the people of this province and explain what we have done over the past four years—those to your right as the government of this province and those to your left as the opposition—surely that is not the kind of debate which is going to be very helpful to the political process, to the understanding, to the recognition, to the sophisticated concepts of the people of this province and what they hope to do, and what they hope to be in the years ahead?

And that is why I must say that I find the debate as it has gone on for the last three or four months pretty disappointing, pretty unhelpful, and I would hope—

Mr. P. J. Yakabuski (Renfrew South): We would have to agree with the hon. member on that; his has been a pretty weak debate the entire session—a big disappointment to us all.

Mr. Pitman: —that the next few months will mean that this government and this opposition will be able to carry on a discussion and a dialogue before the people of Ontario which has meaning, which has purpose.

I say to you, Mr. Speaker, as I complete this section of my comments—we are not dealing with two philosophies between expanding government and smaller government, we are really involved in a debate as to what kind of government the people of Ontario want, and what kind of government is possible.

And we have, I think, indicated that we on this side believe the public sector must be upheld, that it must be expanded to give equality of opportunity to the people of this province; whether it be health services, whether it be education, whether it be leisure, whether it be a decent humane environment—all of these things. I have not found any way by which this can be accomplished through the private sector. It just simply cannot be done.

That is not to say that the private sector does not have a role to play in this province, but to pose some kind of straw battle between the private and the public sector and howling the slogans of free enterprise in a society which no longer even resembles anything close to being a free enterprise society, and then howling against what the Prime Minister's concept of what socialism is all about is simply, I think, a most unrewarding activity and one which I would have hoped that we can avoid over the months ahead.

Mr. Yakabuski: The member fears it because he knows the end.

Mr. Pitman: I say to the hon.—

Mr. F. Young (Yorkview): More and more socialism in the economy!

Mr. Yakabuski: The member for Peterborough fears it because he knows what the outcome will be. He does not want to let that kind of issue emerge.

Mr. Pitman: —member, through you Mr. Speaker, that we in this party believe in an interactive society. We really are all welfare recipients. Of course, we as politicians, should be particularly concerned about whining about the public purse. But perhaps those who are businessmen should be just a little bit squeamish about what they have received from the public, whether it be forgivable

loans—that euphemism for grants—or whether it be tariff protection, or whether it be roads—

Mr. Young: Tariff protection!

Mr. Pitman: —or whether it be all kinds of advantage in our society, to say nothing of simply law and order which is provided for nothing; or the educational system which provides them with skilled workers; or indeed an education system which helps them to sort out their workers for nothing. Nor do they have to have a personnel office in a corporation today.

I say it is very hard for anyone in our society not to feel that they are a part, you might say, of the welfare services which are provided by this province and by this nation. We all receive cheques because we have children.

Mr. Lawlor: Does the member for Renfrew South think his stipend is a form of welfare? I would think so.

Mr. Pitman: We receive cheques if we are veterans. We have cheques if we reach a certain age. It is a society in which I suggest to you we serve each other, and the only way that any government can justify—

Mr. Young: The member for Renfrew South is doing well with children's allowance, baby bonus.

Mr. Pitman: —itself is on the basis of the acceptance of the philosophy of an interactive society. That is why I suggest to this House, through you, Mr. Speaker, that in the months ahead, let us have a debate which has some kind of meaning. Let us not have the kind of shibboleth that has been howled around the province for the last two or three months.

I might turn to other areas. One of the things which really does bother me, I am afraid, Mr. Speaker, is that some of these major problems, which seem so far removed from this Legislature, even from this city, seem to stand at the back of all that we talked about here.

We talked about pollution control. We know that is just a very, very small part of a total syndrome. It is a syndrome of a worship of growth; an obsession with production; an almost fatal desire to create desires and needs through advertising and various other means so that people will consume and waste. Behind it all, we realize

that we have a very different kind of planet now. We seem to be so far away, all we can talk about is insignificant little things—a little bit of pollution in that lake or that river which is being polluted by that industry.

We realize that this is just a very small part of a huge problem which is world-wide, and we wonder what the Province of Ontario should be doing in relation to these much larger concepts. That is what I want to talk about tonight. It may not be what is usually talked about on the budget for the Province of Ontario but I think, surely, a government has to be thinking in terms of this relationship to a world problem.

Perhaps it was well discussed by one author when he compared the earth, really, to a spaceship.

The closed economy of the future might be called the spaceman economy, in which the earth has become a single spaceship, without unlimited reservoirs of anything, either for extraction or for pollution; and in which, therefore, man must find his place in a cyclical ecological system which is capable of continuous reproduction of material form even though it cannot escape having inputs of energy.

The essential measure of the success of the economy is not production and consumption at all but the nature, extent, quality and complexity of the total capital stock, including in this the state of the human bodies and minds included in the system. In the spaceman economy, what we are primarily concerned with is the stock maintenance, and any technological change which results in the maintenance of a given total stock with a lessened throughput is clearly a gain.

What we are talking about, then, in the departmental system is a structure of inter-related and dependent components. In other words, what we have to think in, in terms of this province, this nation, this continent and this world, is a steady-state economy.

If you take a look at this budget in its widest sense, it is still an obsession with growth, it is still the belief that growth will produce jobs; that if we produce enough jobs, therefore, we will have an expanded industrial production—an expanded industrial production we expect will produce jobs and we will have people who can buy two cars instead of one, three refrigerators instead of two. So the whole growth syndrome is a continuing thing in the mind of this government.

One cannot help wondering if this government cannot at least think in terms of future planning with a world concept. One of the ironies, one of the tragedies of our whole society at the present time, is the utter obsession we have with dividing powers. The leader of our party spent the last three days out in Victoria watching the song-and-dance routine that was going on between the Prime Minister and the Premiers of the provinces. What a way to conduct the most important national debate—behind closed doors where the people of this country cannot understand, cannot have an opportunity to hear the byplay, the back and forth, all of the nuances, all of the sophisticated fears of the various provinces, but simply have to be told what the outcome of all this is, hopefully what the outcome will be in the next few weeks.

We are still involved and this almost seems to be forgotten in the whole question of what the role of the national state will be vis-à-vis some form of world government. I guess we do not talk about the world government and the United Nations and the have-nots in the third world in this Legislature very much, but it seems to me that it is about time we, in this Legislature, did start talking about this a good deal more. We are so concerned with the microcosm, we do not seem to understand that we are part of a macrocosm. Unless we can attune our policies to what are surely the policies for survival of an entire continent, of a entire civilization, then really what we are doing is self-defeating.

When it really comes down to it, Mr. Speaker, and I am sure every member in this House realizes it, we have to get off the growth technique. The first place we have to get off it is in the whole area of population control. We know, for example, that we, in this province, are responsible for education. We know that what we must tell the young people who are coming to the schools of this province is that there must be a full-scale effort to reduce the size of families. This is far more important than talking about family life; it is far more important than our concern with, you might say, the whole question of sex education. What we are talking about here is the survival of our humanity and yet we, in this province, have nothing in our school system which will provide young people with a recognition that this is the name of the game.

If you look at the economic tack in our schools, it is still growth, production, consumption, waste. One of the things we have to talk about is providing—

Mr. Sargent: No enough quorum here to keep going.

Mr. Pitman: —full birth control information—

Mr. Sargent: Only got six, nine people in the House.

Mr. Pitman: —and materials for people in our society. We have no other choice; we have no other choice. Another area—

Mr. Sargent: What is the whip going to do about it?

Mr. Pitman: Another area is the whole question of the conservation ethic. Surely, what this province should be doing—I say to the member from Niagara, this really does not bother me very much—

Mr. Sargent: But the member should have someone to listen to him, though.

Mr. S. Lewis (Scarborough West): We are listening.

Mr. Pitman: What I wish to say to the hon. members is this: that this province has a responsibility for the whole area of how we deal with waste in our society. This is not a federal problem.

Mr. A. Carruthers (Durham): Where do we get the money?

Mr. Pitman: Why is this government not giving massive grants for recycling.

Well the hon. member asks where do we get the money? For a government that has put \$23 million into Ontario Place, I do not think I would even mention the subject of money.

Mr. Carruthers: There is the payoff. We will get every cent plus back.

Mr. Pitman: There again, see, the member for Durham obviously has not understood what I am talking about.

Mr. Carruthers: Socialist thinking.

Mr. Pitman: We are talking about matters of high priority. Certainly, if you mean by paying off we will be able to get money back from the people of Ontario which they have made. They will therefore ask for a higher salary, so they can get more entertainment from the government of Ontario. If you mean that cycle, yes, it will pay off. It will pay off but it will not pay off in terms of priorities.

When I say to the hon. member from Durham, if the member for Durham regards socialism as survival, I suppose we have to accept that. But I hope he realizes what he is saying. I would say that when you put that priority, as I tried to previously in another debate, when you put that priority of \$23 million—building an island out in Lake Ontario—with the complete loss of the Niagara Escarpment which could have been got for \$5 million less, then I wonder about a government and its priorities. I wonder if the member for Durham would wish to comment on that kind of priority.

Mr. Carruthers: It will be done!

Mr. Pitman: I hope he will join in this debate; indeed I do. I can assure him that he may be able to see an effective relationship between those priorities, but his children will not be able to and the people who come after him will not, if indeed we do lose the Niagara Escarpment or if we have to pay \$200 million or \$300 million for that escarpment land, which could have been secured for \$18 million just a few years ago.

I want to suggest that this province does have a responsibility for something which is as important as maintaining those elements in our economy, instead of allowing all these elements simply to become waste in our economy.

You know we seem to be so tied up with the small things. We are trying to find what one plant is polluting. We are even trying to get the minister to put through some kind of legislation on non-returnable bottles and trying to get the packaging industry to cut down on the amount of paper and the amount of cardboard that it uses. We are trying to get even the smallest amount of response in terms of conservation, the conservation ethic, in our society.

Mr. Yakabuski: It will all be done.

Mr. Lewis: Not by Tories.

Mr. Yakabuski: Oh, yes, it will.

Mr. Lewis: It is all over.

Mr. Pitman: Surely, what we need in this society is a government which is prepared to say, "From now on, we are not in the game of allowing wastage—of garbage you might say—of burying ourselves in garbage; we are going to recycle throughout the entire province, and we are not going to allow another drop of water to go into the lakes and rivers of this province which have been polluted by

one industry or another. We are going to make a full-scale effort." Surely, this is our responsibility as the richest province in Canada, as a part of the richest civilization in history and certainly as one of the most prosperous parts of the western world.

It is very easy for people to say, "We do not need to have population control in our country. Look at all the lands that are empty to the north."

Of course, that is an illusion. It is a myth. This country cannot support 200 million or 300 million people, as has been suggested by certain geophysicists in the past. It can support not many more than we have now, not that many more. Certainly, it is very easy to say—why not wait until the other world, the third world, begins to practise this whole question of population control.

May I say this, first, if we are the ones who are going to point the way, we had better start right now here. Besides that, in terms of wastage, we produce more garbage—10, 15, 20, 60 times more waste in garbage—than a person in India or a person in Africa, or in any of these countries of the third world. In terms of energy consumption, in megawatts, whereas we take up something like 70 megawatt hours, a person in India takes up 2.7. There is another area which surely is the responsibility of this province. What is Ontario Hydro doing about the whole business of directing its attention to a steady state economy instead of its essential development and increase in effort to continue growth and to increase growth, to increase consumption, encouraging people to put buildings up where the lights stay on all night, encouraging companies to use more and more electricity instead of recognizing that every single extension of energy that is used is lost.

In fact, one could well say that we are now coming to the end of the road in this area. We have just about reached all we can in hydro power. We have gone about as far as we can so far, in terms of expense, because of expense and nuclear power.

We are not depending more and more upon thermal power and we all know that it is the most wasteful method of securing energy. I think we get something like a 15 per cent recovery of energy by thermal power. And you know, with all the spinoffs in terms of pollution, all the spinoffs of, and mass abuse of, what are becoming less and less accessible resources—

Mr. Sargent: This is a pretty wide-ranging speech.

Mr. Pitman: Indeed it is. I think we are probably for it.

Mr. Sargent: This should be budget, should it not?

Mr. Pitman: Well I suggest to the member for Grey-Bruce that it is a very—I hold these speeches on education or on municipal affairs, I suppose that perhaps I should have given them.

Mr. Yakabuski: Pretty dull!

Mr. Pitman: But before this session closes I would like to put on the record some of those things which a New Democratic government would be concerned about; not just with adjusting the microcosm but trying to tie the Province of Ontario into the needs of humanity itself, right across this continent, right across this entire earth.

I think that, surely, must be the kind of philosophy which a government which is concerned with the future has. Perhaps when it is looking back it does not concern itself with these things; but certainly this government will, and I mean by that the government which we will have in this province in a few months!

Well I want to say there are many things which we in this province—

Mr. Yakabuski: When the member is making that speech in Windsor next September we are going to steal his seat in Peterborough.

Mr. Lewis: The member for Renfrew South has the most vulnerable seat in this House!

Mr. Pitman: What about the whole question of taxes, the tax on corporations?

Mr. Sargent: The leader of the NDP sure knows how to hurt a guy!

Mr. Pitman: I understand now what we do, we give tremendous advantages to any company that will spend its assets trying to con every person in this province to buy its products. We are overwhelmed by this activity of advertising.

Mr. Carruthers: A great deal—

Mr. Pitman: We give tax advantages for advertising! Is it not time we began to take a look at an industry which is essentially creating a society which cannot survive, which is determined to make us waste our resources, which is determined to make us consume and pollute and wreck our ecology?

Should we not be concerned about a phasing down, a de-emphasis; should we not be changing our tax policies in this province as well as in this nation, and be zeroing in on an industry whose only real justification is to make people buy, to give people wants, desires and status symbols which that industry has decided are the wants, desires and needs which people must have?

Would it not be public policy, should it not be public policy, in view of the direction of our planet and our society, that we should be moving in terms of taxes into that kind of activity and trying to de-emphasize that kind of activity in our society?

I would certainly think so! And certainly I would think that a government which this party leads would be concerned about a matter such as that.

Well I was going to say a good deal more about that particular area. Perhaps I might say a bit more about the whole question of planning. One of the problems that we have now is that the present government has made such a mess of it over the past four years that the word is now beginning to lose any sense, any meaningful sense.

What we in this party mean by planning is very simple. We mean providing direction, providing a goal; how many people are to participate, what the goal should be and how we should get there, allowing step by step participation which is meaningful and real.

And planning, I suggest Mr. Speaker, has been exactly the opposite force for this government. If you take a look at the area of regional government, economic development, health services, education services, one finds complete lack of goal, a complete lack of concept of goal on the part of the people of this province. And no help from this government, simply a series of stages outlined by a government going towards this goalless future, which are unacceptable, which are fragmented, which are distorted, which are meaningless. That is what I mean by having distorted the whole concept of effective plans for the Province of Ontario!

I must say I smiled when I read the comments of the Minister of Municipal Affairs in a speech he made just some weeks ago. It was a speech he made on March 15 of this year in which he said:

The white paper tabled on April 5, 1966, known as Design for Development was the first step toward the top of this mountain that I have referred to. At that time we had at least crawled to the foothills and were headed in the right direction. Today we are approaching the summit.

If regional development in the Province of Ontario is at the summit, heaven help us.

In this valley of indecision this government was even prepared to use the term "regional development" in a Speech from the Throne presented at the beginning of this session. There is blessed little about regional development or regional activity in the budget, in fact we are all playing that very low key.

If you look at Carleton, if you look at Niagara, if you look across this province you see nothing but chaos, the chaos of local governments which do not know what is happening to them. They do not know whether they should plan on a township level, on a several-township level, on a county level, on an intercity level, on a regional level—they do not know what to do, and are given no money to do anything anyway.

Mr. Carruthers: Oh, oh!

Mr. Pitman: The member for Durham can groan if he wishes, but I ask the member for Durham how much money does the township receive for planning?

I think the member will find very quickly that this is not the case; he will find there are no grants under the municipal structure to provide a planning office or to provide official plans or to provide those obvious tools which a township must have if it is to plan its future effectively.

So there we have it! That is the kind of state which I am afraid this government has led us into over the past number of years.

In the area of education this government has tied us into buildings, buildings, buildings; and facilities and more and more facilities. It is an inflexible programme, and what was needed was greater flexibility.

Oh it is tough being a government in a fast changing society. That is why a government which is in power today must be aware, continuously aware, of what is going on, of the direction of all the various opportunities, the various options which are present; and must be keeping options open as well as moving to provide what are obviously the necessities of an expanding society.

And so I say Mr. Speaker—I will take no more of the time of this House—I simply wanted to place on record what I think of the atmosphere, the flavour, the taste of a New Democratic Party government. It is a government which can plan, which would look ahead sensitively, which would see things that are happening and the direction society is taking, not just in a narrow, microscopic,

Toronto-based, Toronto-obsessed way, but in a provincial national, indeed, a world and planetary sense.

It is a government which will act decisively at the point when action must be taken, but not before it has given people an opportunity to participate at the point where participation is meaningful. We do not wait until after the plan has been completed, after the concept has been hardened and then wander about and ask them what they think about it! Nor do we give them the opportunity to plan when there is no goal, there is no direction, there is no real opportunity for meaningfully adding to the sum total of opinions and directions and values that are needed before the government takes action.

We intend to provide this province with a government which can plan and act; but most of all, Mr. Speaker, a government which is sensitive and compassionate. This we promise.

Mr. A. Carruthers (Durham): Mr. Speaker, in rising to participate in this debate may I first express—

Mr. P. D. Lawlor (Lakeshore): Here comes the vision of the future with a vengeance.

Mr. Carruthers: This is really practical knowledge I am going to try and impart to the hon. member, sir. But Mr. Speaker, in—

Mr. Lawlor: Oh the member is going to have a hard time, because I am going to be after him.

Mr. S. Lewis (Scarborough): The hon. member will not survive this budget speech, he will not make it through to the end.

Mr. Carruthers: Let me say a few—

Mr. Speaker: The member for Durham has the floor.

Mr. Carruthers: Let me say a few words. This is the first opportunity I have had to participate in either the Throne or the budget debate and I would—

Mr. E. Sargent (Grey-Bruce): Mighty glad to have the hon. member.

Mr. Lewis: First opportunity? The hon. member is the whip. He could have participated in the Throne Speech to his heart's content.

Mr. Carruthers: That is right, but I wanted to give everybody else the opportunity before—

Mr. Lewis: Sure the hon. member did—generous fellow!

Mr. Carruthers: Yes, sure. But I do want to—

Mr. Lawlor: We were waiting for the hon. member, looking forward to it.

Mr. Sargent: Is this the wind up?

Mr. Carruthers: I want to express my appreciation, Mr. Speaker, to your office and to the Deputy Speaker. They showed real impartiality and have conducted the affairs of the office with great dignity; I think it has been appreciated by all members of this House.

Mr. Speaker, I would also like at this time to express a personal tribute, and I think I express the opinion of all members in this House when I say that we all have respected and appreciated the contribution the hon. member for Hamilton West (Mrs. Pritchard) has made to this House with long experience in municipal administration behind her and great dedication to the people of her own community, her own riding and to the city of Hamilton. I am sure the people of that area have shown in the last few weeks their sincere appreciation for the work of this lady over the years.

Mr. H. Worton (Wellington South): Government should have done likewise; excellent cabinet material!

Mr. Carruthers: I would say to the hon. member that the government has followed her advice on a number of occasions, and that is why we have good progressive government in the Province of Ontario.

Mr. Sargent: What has the member got against women cabinet ministers?

Mr. Carruthers: It is people like the hon. member for Hamilton West who have provided the type of individual representation in this House that has made possible good, progressive government in the Province of Ontario.

Mr. Sargent: What has the member got against women?

Mr. Carruthers: Not a thing.

Mr. Sargent: Why could the member for Hamilton West not be a cabinet minister?

Mr. Carruthers: I am not the maker of the cabinet.

Mr. Sargent: Pretty shoddy treatment!

Mr. Carruthers: But I do have a great deal of respect and I want to say this—

Mr. S. J. Randall (Don Mills): The Liberal leader says we have got too many now.

Mr. Carruthers: —to the members of the House, that I personally appreciated very much the contribution the member for Hamilton West made and—I am sure the hon. member for Wellington South will agree with me—to our committee on ageing. She played a very important role in that committee and I think we must recognize the contribution she has made on behalf of the women of the Province of Ontario to the legislative assembly.

Mr. Worton: I think the member should have been recognized over there.

Mr. Carruthers: She has been recognized. I am recognizing her right now.

Mr. Worton: Cabinet material, I mean.

Mr. Carruthers: I want to pay as high a tribute as I possibly can to her efforts.

Interjections by hon. members.

Mr. Lewis: The member would not presume to speak on behalf of all the women in the province when he says that.

Mr. Carruthers: Well, the member would not say she is speaking on behalf of—

Mr. Lewis: For some!

Mr. Carruthers: The member for Scarborough West was not here tonight for all of her speech—

Mr. Lewis: No, but I respect her contribution.

Mr. Carruthers: I think she was speaking on behalf of women generally and she made a very fine speech. It is too bad the member missed it.

Mr. Lewis: Agreed.

Mr. Carruthers: I know there is going to be a reaction on this, but I also want to pay tribute to the past administration under the former Prime Minister of this province (Mr. Robarts).

Mr. Sargent: The member almost forgot that one.

Mr. Carruthers: Yes, we cannot help but recognize the great progress this province made under his administration.

Mr. Lewis: We know that the member for Durham yearns for those days again; those old secure times.

Mr. Carruthers: Oh no!

Interjections by hon. members.

Mr. Carruthers: You will recall, Mr. Speaker, a massive volume of legislation was passed during the administration of the member for London North (Mr. Robarts).

Mr. Lewis: As compared with this one, does the member notice a massive volume of legislation?

Mr. Carruthers: Well, we have only just started.

Mr. Lewis: Just started? We are in the middle of June!

Mr. Carruthers: The member for Scarborough West has seen some good legislation and is going to see more.

Mr. Lewis: I should think so.

Mr. Carruthers: Yes. It was legislation of a productive nature, just the same as we are going to produce during this session.

Mr. Sargent: Just like the Spadina Expressway and things like that. That is great!

Mr. Carruthers: Some of it included increased financial aid to school boards, equalization of educational opportunities for the young people of this province. I think the members have to recognize that. A new system of community colleges was established—

Mr. Sargent: What does the member mean, equal opportunity of education?

Mr. Carruthers: Yes, I mean equal—

Mr. Sargent: Only three per cent of the kids in my riding ever get to university.

Mr. Carruthers: Everybody has an equal opportunity for education in this province today and the member for Grey-Bruce knows it. Sure he does!

Mr. Sargent: Oh baloney! That is not true.

Mr. Carruthers: Why does the member for Grey-Bruce not go back to school?

Mr. Sargent: I could not pass the entrance today.

Mr. Lewis: The member for Durham cannot take it, his voice is cracking.

Mr. Carruthers: No, it is okay. The member for Grey-Bruce is a dropout from grade 3.

Mr. Randall: The member went to the best reform schools in town.

Mr. Carruthers: We have increased grants for hospitals, health services, and introduced a Medicare programme.

We had, I want to say here, the finest medical programme under OMSIP, I think this province could possibly have had. Of course, the new Medicare programme was imposed upon us—it was of a socialist nature—by the federal government.

Mr. Sargent: What is the member changing for then?

Mr. Lawlor: The only good thing the government did.

Mr. Lewis: The member will never hold Durham that way. Those days are gone, my friend.

Mr. Carruthers: I will hold Durham all right, and the member need not worry about it.

Mr. Lewis: Those days are gone, just a little nostalgia. The member is sounding like Leslie Frost. Doug Moffatt is breathing down your neck, my friend. He is nipping the member's heels.

Mr. Carruthers: No matter how he may try, the member will not make much of an impact in Durham. I will look after Durham.

Mr. Randall: The hon. member for Scarborough West is going to throw literature to the animals.

Mr. Lewis: Not in Durham.

Mr. Lawlor: You do not live in the past.

Mr. Carruthers: Well I think you must build on the past, my hon. friend; I build on the past.

That is the trouble with you people, you do not build on the past; you want to go off on all different tangents. I just listened to the member for Peterborough (Mr. Pitman) a few minutes ago. A beautiful sermon that you could hear in revival meetings sometime, but

as far as practical statements are concerned it was completely lacking. Now I will go on.

With the comprehensive legal aid plan which has certainly been of great benefit to the people of this province, the enactment of a human rights code—

Mr. Lewis: That is all the former Prime Minister's stuff.

Mr. Carruthers: And do not forget the first extension of a rapid transit system in the Province of Ontario; and this is just the beginning of a great commuter system within the—

Mr. Lewis: That all died in February. We are in the new part now, try to keep up to the present.

Mr. Carruthers: I will be there in a minute.

The establishment of a minimum wage level, the creation of a province-wide network of more than 100 provincial parks.

We hear our friends across the way yelling about provincial parks and the Niagara Escarpment. I want to tell you, my dear friends, that we have some very fine locations in the county of Durham which the government has under consideration and have already bought. The Niagara Escarpment is not the only beautiful spot in this province, because we have the finest piece of real estate in Canada right in Durham county.

Mr. Lewis: What is that?

Mr. Carruthers: Take a trip down into those hills of Durham and Northumberland and see where the beauty of this province really is.

Mr. Lewis: The rolling hills of Durham.

Mr. Carruthers: I suggest—members know what it is, the hon. member for Peterborough knows what it is like and he appreciates—

Mr. Lewis: What land is this—the rolling hills of Durham?

Mr. Carruthers: The rolling hills of Durham and Northumberland.

Mr. Lewis: We will put the member in charge of them after this.

Mr. Carruthers: Renowned in story, in history and in poetry.

An hon. member: Did the member build those hills?

Mr. Carruthers: No I did not build them, but I grew up among them and I am very proud that I did.

We have had increased grants to municipalities, replacement of the means test approach to welfare by a system based on the needs of the individual; development of slow growth areas through the provision of many millions of dollars of grants to foreign and domestic industry. I get tired of listening to this tirade on foreign takeover, because the communities in my riding of Durham were built with American capital. The town of Port Hope itself was founded on American capital.

Mr. F. Young (Yorkview): It was the member's leadership candidates who talked about that.

Mr. Carruthers: Just take that out and that town has had it.

Mr. Sargent: How much American capital did they bring in?

Mr. Carruthers: They brought in plenty of American capital. It was built on American capital.

Mr. Randall: It would be a graveyard with lights without that capital.

Interjections by hon. members.

Mr. Carruthers: The member knows better than that. He is a private enterpriser himself.

Mr. Sargent: But they did not bring the money in here; they borrowed it from us. They certainly did!

Interjections by hon. members.

Mr. Speaker: Order! The hon. member for Durham has the floor.

Mr. Sargent: He is not doing a very good job.

Mr. Young: Look what he is doing with it, Mr. Speaker.

Mr. Carruthers: I heard down in the committee on Labour about the rationalization of industry, the American industries in this country are closing down and taking all their industries. Well this is dependent entirely, as far as I am concerned, on the markets; and the great market is in the United States—220 million people.

Under the member's programme it would just be the same, unless they are going to

keep a lot of industry going with no markets. We have got to develop an export trade, and as soon as Ottawa wakes up we will get some results in that respect.

Mr. Lewis: It worked 10 years ago, but not today.

Mr. Carruthers: The member knows how socialism is working—

Mr. Lewis: It is an old voice from the past.

Mr. Carruthers: Would the member like to live in Mexico, I suppose, with that standard of living?

Mr. Lewis: It is a sad voice—holding hands with Leslie Frost!

Doug Moffatt is just in the member's footsteps there! He is inching ahead of him with every day that passes. The member will never make it again.

Mr. Carruthers: Is that right? I had not noticed.

Mr. Lewis: This is the swan song for the old member for Durham.

Mr. Carruthers: I would hate to tell the NDP leader what he confided in me, because I am a good friend of his. Maybe I will tell him privately.

Mr. Lewis: We will share confidences. Put it on the record and I will see what I can dream up.

Mr. Carruthers: I do not like to embarrass people.

We have had a very extensive and comprehensive housing programme for low-income families and again may I say my riding has benefited materially and we have had a very fine programme of senior citizens' and family housing development in that community.

Mr. Randall: The best of both Americas.

Mr. Sargent: The hon. member is running that pretty well.

Mr. Carruthers: Yes, we have senior citizens and students, and regardless of the criticism levelled by the opposition this programme has resulted in 80,000 housing units being completed or under development since 1965, and housing starts, I understand, are up over 70 per cent this year.

Mr. Young: The member for Welland (Mr. Morningstar) made that speech quite a while ago. He is going, he cannot stand it.

Mr. Carruthers: Has he left?

Mr. Young: He is going, he cannot stand it.

Mr. Carruthers: We have done a great deal, and I am particularly proud of the fact that this government has done a great deal for the citizens as far as housing is concerned; these are the people who really appreciate the housing programme of this government.

Mr. Pitman: That is the public sector.

Mr. Young: That is socialism and do not forget it.

Mr. Carruthers: Oh yes, but these are people who have contributed to the economy of this country over a long period of years—

An hon. member: We all have.

Mr. Carruthers: —through private enterprise, and they are entitled to a little bit of consideration in their senior years.

Mr. Young: The member for Don Mills would like that.

Mr. Carruthers: But I am a little disturbed by the reaction of some of the people in our family housing and wonder whether they do appreciate what government is doing for them.

Mr. Young: Ontario housing is private enterprise?

Mr. Carruthers: Mr. Speaker, in speaking of the senior citizen housing I would like to be permitted to mention the fact that this coming week will be senior citizens week. As you all know I have introduced a bill on two occasions in this House to establish senior citizens week and the coming week will see many programmes in operation throughout this province. The member for Peterborough is going to have a very fine programme this coming week—a very nice church service next Sunday—and this is true throughout all our communities, I think. It will bring to the attention of the public the great contribution that our senior citizens have made to this province and to this country.

I was privileged a few days ago to present some flags—the Canadian flag and the Union Jack and a picture of Her Majesty—to a group

of senior citizens on behalf of the Rt. Hon. John Diefenbaker, a very outstanding Canadian, and I assure you those people as senior citizens share with him the great concern that we all feel for the future of this country.

Mr. Speaker, perhaps the greatest contribution that the member for London North made was in the field of national unity. We have just completed another Dominion-provincial conference in Victoria and we hope the results of that may prove to be beneficial based on that first conference that was called by the member for London North as Prime Minister of Ontario. We hope that finally we shall be able to bring to this country the right to govern ourselves without reference to Westminster.

The Confederation Conference of Tomorrow in 1967—

Mr. Lawlor: The Prime Minister does not seem to have the same vision at all, not the same imagination that the former Prime Minister had.

Mr. Carruthers: We have had enough of that socialist doctrine for a while.

Mr. Lawlor: I am talking about the conference in Victoria.

Mr. Sargent: If the hon. member likes self-government, what does he think the city of Toronto feels like?

Mr. Carruthers: The city of Toronto was never better off.

Hon. E. A. Winkler (Minister of Revenue): Probably like the hon. member.

Mr. Sargent: Their economy has been taken away.

Mr. Carruthers: The hon. member knows better than that.

But the conferences that followed have stressed Canadian unity and they have pointed the way for a stronger confederation.

Plutarch in his "Lives" raised the argument, Mr. Speaker, as to whether the ship in which Theseus sailed home from Crete was the same ship as that in which they set out, for they renewed many of the timbers in that ship and put in new and stronger planks in their place. Similarly, a comparison can be made with this party which forms the government of this province today—

Mr. Lawlor: The member knows what happened to Theseus? He went down the drain.

Mr. Carruthers: —in its policy of seeing that Ontario endures.

Interjection by an hon. member.

Mr. Carruthers: Come on out of dream-land!

Mr. I. Deans (Wentworth): Pretty weak stuff.

Mr. Carruthers: It is stronger than anything the hon. member has presented yet. I do not want to boast, but I have listened to him.

Mr. Lawlor: Where in Plutarch did the member find this?

Mr. Carruthers: The statesmanship, launched in 1943 under the hon. George Drew, has over the years renewed many planks in that platform and has been given a fresh and a vigorous image. Today under a new and vigorous young leader (Mr. Davis), it forges ahead with renewed energy to new goals.

Hon. Mr. Winkler: A great statement!

Mr. Deans: Who writes that stuff?

Mr. Lawlor: Barnacles and seaweed.

Mr. Carruthers: That is right.

Mr. Deans: Whoever writes that stuff will go down in history.

Mr. Carruthers: The member knows who writes that stuff? I am just quoting that from history.

Mr. Speaker, I have the happy privilege of representing the people and serving the people of Durham county, and in spite of what the hon. member for Scarborough West says I will be continuing to serve the people of Durham county, I think, for a few years ahead.

Mr. Lawlor: We will see about that.

Mr. Carruthers: But I am not boasting about that—

Mr. E. R. Good (Waterloo North): Pride goeth before a fall!

Mr. Carruthers: No; it is not pride. It is the fact that I have tried and endeavoured to give the best service, and I think the people of Durham appreciate that.

Mr. Good: Pride goeth before a fall.

Hon. Mr. Winkler: Physician heal thyself.

Mr. Deans: Come on; this place is dead.

Mr. Carruthers: That county forms a very historic and integral part of the united counties of Northumberland and Durham. I say these counties are unique and that they present an example of one of the best balanced economies in the province—

Mr. Deans: Delicately balanced.

Mr. Carruthers: A rural-urban area, comprising some 1,363 square miles, it has enjoyed a well-balanced economy over the years and with orderly development the area can and should prove to be one of the best in the province.

There has been considerable concern in the united counties, and particularly in the county of Durham, over the development as far as regional government is concerned. We all realize, we all appreciate, the fact, I think, that we must look forward to municipal reform. There is concern in those united counties, because over the years in the municipalities there has been a great co-operative feeling. They have enjoyed a good financial existence. There was the fear that they were going to be swallowed up and that regional government was going to be imposed upon them.

We all know that the OAPAD study is dead at the present time, or has been delayed. As I said before, we all appreciate the fact that we must have reform in municipal government. In my own opinion, it must come through an evolution of municipal administration. We have many municipalities in which I think our people are ready for this. We have many municipalities, not only in Durham and Northumberland, but in the other counties as well, where a consolidation and amalgamation could take place, and, through co-operation even, a great deal could be done without the necessity of regional government itself. We have a very fine system of county roads, in addition to our highway systems. Each municipality, as I said before, is in a good financial position. Frankly, I hesitate to—

Mr. Sargent: That slowed him down.

Mr. Carruthers: I feel that the time is not right yet for regional government in that area, and particularly without the consent and the consensus of opinion of the people of those areas, because in regional government, part of the county would be thrown into the Oshawa centre, part into Peterborough, and Northumberland into Belleville. You can appreciate the fact that half the municipalities have lived

together and worked together over many years—

Mr. Sargent: So the member is against regional government now?

Mr. Carruthers: I am not against regional government, but—

Mr. Sargent: He certainly is!

Mr. Carruthers: But I think it should evolve. I think it should evolve through consolidation and amalgamation, because you must agree that many municipalities are too small at this time to provide the services the people require. I think the people are prepared to accept the evolvement, but they are not ready to have a complete regional government.

Mr. Sargent: Hear, hear. That is for the record in Hansard. Get that!

Mr. Carruthers: We must wait and see how other regional governments perform.

Mr. Speaker, we hear a great deal today about inflation and the unemployment situation. It is a matter of concern in my own area, although I think we have one of the lowest rates of welfare anywhere in the Province of Ontario. But just as inflation is an integral part of the problem of unemployment, I would say so is the politically popular topic of economic nationalism.

Unfortunately, the issue of economic nationalism has become coloured by hysterical emotionalism and we have heard a lot of it. Too many people want to toss foreign investments in the waste paper basket, and our friends over there appear to be prepared to do this at the sacrifice of jobs.

Mr. Sargent: They do not invest money here.

Mr. Pitman: They take it out.

Mr. Sargent: The Americans do not.

Mr. Carruthers: Oh now!

Mr. Sargent: They just borrow it from us and take over our economy.

Mr. Pitman: It is outflow.

Mr. Carruthers: I want the member to explain that to me later.

Mr. Pitman: We would be glad to. There is outflow.

Mr. Carruthers: We must also consider how this money helps fatten our pocketbooks

and helps provide jobs. Frankly, Mr. Speaker, I find it very difficult to reconcile the opposition's "hearts and flowers" concern over unemployment with, what one might say, featherbrained economic nationalism schemes. And I am astounded at the NDP, particularly this kindergarten theory that foreign investment is creating unemployment rather than jobs.

Mr. Pitman: Well it is true.

Mr. Carruthers: That is what I read here. That is just ridiculous.

Mr. W. Ferrier (Cochrane South): We think the member is in the kindergarten category.

Mr. Pitman: Get facts!

Mr. Carruthers: I have facts.

Mr. Pitman: He does not! It is an outflow of capital to the United States.

Mr. Carruthers: But there is a great inflow of capital into this country and there is continually—

Mr. Pitman: No, no! There is not.

Mr. Carruthers: Well, come down to my area and find out.

Mr. Pitman: We cannot do it on an individual basis.

Mr. Carruthers: I tell the member there is a good example there.

Mr. Sargent: More influence from Ottawa than Queen's Park.

Mr. Carruthers: It is a good example. However, it seems that the hon. member for Scarborough West, and his followers over there, have been studying different textbooks over the past few months, because they just do not agree. That was shown at the last convention in Ottawa. It was shown here at their convention. It was only last October that the grassroots followers of the New Democratic Party approved nationalization of all energy resources at their convention.

Mr. K. C. Bolton (Middlesex South): Nonsense! Absolute bilge!

Mr. Carruthers: That was the policy. But their new policy, changed by the new leader, the hon. member for Scarborough West—

Mr. Young: Why does the member not read?

Mr. Carruthers: —and the executive members of the council.

Mr. C. G. Pilkey (Oshawa): No we do not. We have already been on course.

Mr. Carruthers: While the policy is only to nationalize all facets of the natural gas industry, including pipelines and distribution companies such as Consumers' Gas and Union Gas, the hon. member said that the party would also place in public ownership any future development of oil in the province, as well as the uranium industry.

Mr. Lawlor: Is the hon. member trying to be provocative in his final speech in this House? The hon. member for Hamilton West did it nicely.

Mr. Carruthers: Yes, I admit I think that the hon. member for Hamilton West was nice in the House.

When the leader of the NDP was asked whether his economic nationalism policies would drive new capital from Ontario, he blithely replied: "That is not our purpose. That is not our purpose and I do not see the risk. I do not see the risk." And when he was asked what reaction he was expecting in the corporate community he just as nonchalantly said, "I do not know. I do not know."

Now let us look at how our socialist friends are dealing with this critical issue of unemployment. No doubt they find it almost impossible and most embarrassing to bear the same label as their friends in Ottawa, who seem to feel that inflation has miraculously disappeared and that unemployment does not matter.

That applies to all my friends across the way. They are also trying to play both sides of the fence regarding foreign investment by calling for at least 50 per cent—

Mr. Sargent: What does the member mean when he says it does not matter?

Mr. Carruthers: —Canadian ownership of all industry in major sectors of the economy. However, how this would be done, and how the hon. Leader of the Opposition (Mr. Nixon) plans to deal with the ramifications of such a policy is a mystery to me, as it must be to all the people of this province, perhaps because he does not know himself. I do not know how he intends to do it.

While international, not just American investment has helped build Ontario into a

place to stand and a place to grow, this government has also put a great deal of effort into making it into a province of opportunity.

Mr. Pilkey: The people of Brantford understood.

Mr. Carruthers: And it is a province of opportunity.

Mr. Pilkey: No, but the people of Brantford understood.

An hon. member: Right !

Mr. Carruthers: Yes, why do all the people flock into this province?

Mr. Pilkey: The people of Brantford understood.

Mr. Carruthers: Yes.

Mr. Pilkey: What happened there? Who won that election?

Mr. Carruthers: The member may boast a little bit now, but just wait my friend.

An hon. member: That was federal. That was a federal by-election.

Mr. Lawlor: Watch Moffatt there! He might be right behind the hon. member.

Mr. Carruthers: The member can fool some of the people some of the time, but he cannot fool all the people all the time.

An hon. member: Who said that?

Another hon. member: They try.

Mr. Deans: The member is about to find that out.

Mr. Carruthers: The member will find out.

Mr. Lawlor: How many elm trees did the member cut down this winter?

Mr. Carruthers: How many elm trees have I cut down? Well we have done a good job in my riding. There were a lot of elm trees there, too. We have a lot of elm trees. In fact I have not had to cut any down because—

Mr. Lawlor: It must be quite an unemployment programme the member has that goes that far.

Mr. Carruthers: I have an elm tree right on my own lawn which is still living, you know.

Mr. Lawlor: Because it is on the member's lawn?

Mr. Carruthers: Yes, it is on my property and I inspired it.

Mr. Lawlor: Good for the member. That is what I thought.

Mr. Carruthers: While international, not just American investment has helped build Ontario, our gross provincial product, for example, grew from \$17 billion in 1963 to an expected \$37.6 billion this year. You certainly must appreciate the fact that that is progress, and it is one of the reasons why people flock into this province.

I can just imagine what would happen—

Mr. Pilkey: It is one of the reasons they are going to flock out.

Mr. Carruthers: —with an NDP government we would see the people flocking out of this province just as they have flocked out of every socialist country.

Interjections by hon. members.

Mr. Carruthers: Look what happened in Saskatchewan?

Mr. Pilkey: Get the facts now! What happened in Saskatchewan?

Mr. Carruthers: Yes, and it has started to take place in Manitoba.

Mr. Pilkey: Tell us what happened in Saskatchewan?

Mr. Carruthers: The member knows what happened. They got into industry in a big way. They got into industry in a big way, did they not, under Tommy Douglas?

Mr. Pilkey: There was a mass exodus—

Interjections by hon. members.

Mr. Carruthers: Oh no; the member knows what the socialists did to Saskatchewan.

Mr. Pilkey: Who won the last by-election in Manitoba?

Mr. Carruthers: The people left and the economy died.

Mr. Bolton: Do not disturb the member with the facts.

Mr. Ferrier: There is a lot less unemployment in Manitoba than there is in Ontario.

Mr. Carruthers: That is natural, is it not?

Mr. Pilkey: That is not natural. It has a good government.

Mr. Carruthers: That is more of the member's wild theories.

Mr. Lawlor: These things are not natural. They are man-made.

Mr. Carruthers: The gross provincial product has more than doubled.

Mr. Deans: Never mind. It is a good speech whoever wrote it.

Mr. Carruthers: We have more than doubled the gross provincial product in those eight years.

An hon. member: In Ontario?

Mr. Carruthers: In Ontario, right! In Ontario!

Mr. Sargent: Is the member going to mail that speech out to his constituents?

Mr. Carruthers: I do not need to. I have told them this many times before.

Mr. Young: And now finally!

Mr. Carruthers: The efforts of government and industry have helped Ontario develop an image of prosperity and prestige. Certainly they have. And we have exploited this image in selling everything from aircraft to zippers—

Mr. Pilkey: I will say they exploited it.

Interjections by hon. members.

Mr. J. E. Bullbrook (Sarnia): Is the member going to cover the flag? I have been waiting for the flag.

Mr. Carruthers: The member was not here when I spoke about the flag. I spoke about the flag. I spoke about the flag a few minutes ago.

Interjections by the hon. members.

Mr. Bullbrook: I apologize.

Mr. Carruthers: I spoke about presenting the beautiful Canadian flag and the beautiful Union Jack and I hope I am not misquoted this time.

Interjections by hon. members.

Mr. Carruthers: I cannot hear the member but it is just the same old socialist doctrine, I suppose.

Mr. Young: What is a socialist?

Mr. Pilkey: Yes, would the member explain that?

Interjections by hon. members.

Mr. Carruthers: There are many different definitions. None of them, of course—

Interjections by hon. members.

Mr. Carruthers: I was speaking about zippers, and as I say again I think hon. members opposite should lay in a supply.

Interjections by hon. members.

Mr. Chairman: Order, order!

Mr. Carruthers: The value of investment in new plants and expansion which The Department of Trade and Development has assisted in bringing into Ontario since 1965 is over \$2.5 billion—and that is not peanuts. That has created over 94,000 jobs as my hon. friend from Oshawa knows, and some of it in the big automobile city of Oshawa.

Mr. Sargent: Those are the figures of the member for Don Mills are they not?

Mr. Carruthers: No, I did not get these figures from the member for Don Mills. The more than \$50 million the Ontario Development Corporation has given out in EIO and time loans is creating tens of thousands of new jobs. Here again this is reflected to a major degree in my own riding. I do not take any credit for this, but it has provided very useful employment for hundreds of people in the county of Durham and in the county of Northumberland.

We see those towns prosper. As I said before we have one of the lowest welfare rates in the Province of Ontario because I think we have not only a very fine country, but we have a very enterprising, stable people in the united counties of Northumberland and Durham.

Mr. Deans: Very fine people.

Mr. Carruthers: Yes, very fine people.

Mr. Fernier: Grants to bring in big companies is welfare to them.

Mr. Carruthers: I do not know what this is going to read like in Hansard. It is policies like these which encourage private enterprise.

Mr. Deans: At public expense!

Mr. Carruthers: Oh no!

My own community, as I said before, is built on private enterprise; they are great believers in private enterprise. Go back into

the north end of my riding and start talking socialist doctrine and see how far one gets.

Mr. Young: They do not like public schools down there. They do not like highways. They do not like churches. They do not like anything socialistic.

Mr. Carruthers: They are great churchgoers. is that part of the socialist doctrine?

Mr. Pilkey: Nobody built them under private enterprise.

Interjections by hon. members.

Hon. Mr. Winkler: They like to be individualists, that is why.

Mr. Carruthers: These have strengthened our economy and provided many new jobs.

Mr. Sargent: They are all dreamers down there.

Mr. Carruthers: I hope the member's community is just as fine a community as mine. If it is he is living in one of the finest parts of Ontario as well. They tell me it is very nice country; very much like my own with apple orchards and a great variety of life—

Mr. Sargent: The member for Durham would enjoy visiting there; it is good and dry.

Mr. Deans: Not from the lack of trying by the hon. member for Grey-Bruce.

Hon. Mr. Winkler: Why does he not build a hotel there?

Mr. Carruthers: The member is doing his best to change that, I understand.

Mr. Pilkey: Without too much success though.

Mr. Carruthers: Well the strengthening of our economy is through private enterprise, which is natural in all of us.

Mr. Lawlor: A little EIO loan here and there.

Mr. Carruthers: We are all private enterprisers. Even the members opposite are private enterprisers. They just cannot get away from it.

Mr. Lawlor: It is in the privacy of our hearts.

Mr. Young: It is in the proper place.

Hon. Mr. Winkler: Which are made of stone.

Mr. Carruthers: It is inherent in all of you. And that is what this country was built on. We only have to look at what is happening in the socialist countries around the world.

Mr. Lawlor: Which one?

Mr. Young: Sweden, for example?

Mr. Carruthers: Well, let us take Sweden. It is on the downgrade.

Interjections by hon. members.

Mr. Carruthers: You would not trade the standard of living that you have in this province with any country in the world.

Mr. Speaker: If the hon. member for Durham would address the members of the House through the Chair we might possibly get through his address.

Mr. Carruthers: I am sorry, Mr. Speaker, I will endeavour to adhere to your wishes.

Interjections by hon. members.

Mr. Carruthers: You will not be around to do that when you listen to that kind of doctrine.

Interjections by hon. members.

Mr. Carruthers: That is one of the examples, and if other socialist countries are any indication, well our friends across the way would follow that example and destroy that natural urge to desire to do something for yourself, which we as free enterprisers enjoy.

Mr. Pilkey: Would the member explain that \$50 million forgivable loan? What kind of initiative is that?

Interjections by hon. members.

Mr. Carruthers: Well, Mr. Speaker—

Mr. Pilkey: That will really give him initiative all right.

Mr. Speaker: The hon. member for Durham invites the kind of reaction that he receives but I would ask the members to give him the courtesy of hearing his speech.

Mr. Sargent: Makes a good speech though.

Mr. Pilkey: Go ahead, I will not say any more.

Mr. Carruthers: We already have, as an example, the Soviet Union's economic parochialism. They said they would even create an effective car industry, and they had to invite Ford and Chev to create it for them.

Mr. L. C. Henderson (Lambton): Where did the member spend this \$50 million?

Mr. Deans: The member is curious too?

Mr. Carruthers: I would ask the hon. member not to embarrass me.

Mr. Deans: How does he know? He did not write the speech.

Mr. Henderson: Fifty million dollars in one riding.

Mr. Sargent: Members are not allowed to heckle from the back row.

Mr. Speaker: Order!

Interjections by hon. members.

Mr. Carruthers: Mr. Speaker, in less than 25 years, and using democratic capitalistic principles, Japan has moved from a feudal economy to become one of the world's leading industrial countries—

Mr. Pilkey: What about Germany?

Mr. Carruthers: —with an outstanding growth rate. Germany as well. Free enterprise!

Mr. Pilkey: Socialist government!

Interjections by hon. members.

Mr. Carruthers: So as you can see, Mr. Speaker, it is the capitalistic system's superior capacity for economic progress that has put us light years, and I say light years, ahead of the socialists in any country.

Nevertheless, although this government believes in maintaining a healthy climate for foreign as well as Canadian investors as essential to our economy, it also recognizes investment should be encouraged, and steps have been taken by this province, even in the last few days, to encourage Canadian investment. Preference will now be given to Canadian-owned business seeking grants and loans under the various inceptive programmes, and this province is—

Interjections by hon. members.

Mr. Carruthers: Now if the member's friends in Ottawa would do so, we might be

able to maintain a larger percentage of Canadian economy. Now in addition, Mr. Speaker, a debenture capital fund would be established to assist in the financing of small businesses which have exceptional potential and which involve greater risks than are acceptable on conventional loans.

Mr. Sargent: And how many loans has this government made?

Mr. Carruthers: Additional assistance will be provided to small businesses to develop technology in products. Increased emphasis will be placed on helping industry in such areas as environmental services, transportation and data processing. Furthermore, Mr. Speaker, the government will convene the conference on foreign investment which will be taking place within the next few weeks. The conference will, no doubt purely and unemotionally, study the effects of participation in our economy by international investors, so that solutions do not race ahead of adequate and unemotional analysis.

Mr. Speaker, on a number of occasions our friends in Ottawa have indicated that inflation is now under control. Then the next week we find it has reared its ugly head again and the government in Ottawa is forced to correct its statements; it is only supposedly under control.

After an 18 months' fight it still remains a very stark possibility in this country of ours. During those 18 months it has always been a stark possibility lying in wait, to raise its ugly head once the government has eased its restrictions.

Mr. Trudeau and the Liberal government at Ottawa are faced with making new decisions. As the Prime Minister indicated in a speech at Niagara Falls a few weeks ago it would appear, according to Mr. Trudeau, that we are going to resort in the long run to price and wage controls.

Although a major degree of responsibility for the present unemployment must rest on the doorstep of Ottawa, there are many other factors, Mr. Speaker, which have had an important bearing on the unemployment situation. I think we are all involved. An analysis of the problem reveals that many changes in government policy, social changes and external factors have played an important role in bringing about the distressing unemployment conditions of today.

First of all the action of the federal government in deliberately creating unemploy-

ment in order to stop inflation certainly was the major factor.

Mr. R. F. Ruston (Essex-Kent): Poppycock!

Mr. Carruthers: They admit it themselves, do they not?

Mr. Ruston: No.

Mr. Speaker: The hon. member, not being in his own seat, will refrain from any comment.

Mr. Carruthers: It was a foregone conclusion from the start that the policy was wrong. I think we all would recognize that it could not succeed, and time has proved this to be correct. Now after months of hardship faced by unemployed, increased costs to municipalities and a staggering reduction in production, the government at Ottawa finds itself right back where it started and faced with making new decisions.

Mr. Deans: The member for London North was—

Mr. Carruthers: The recent rise in the cost of living in the past few days indicates the problem that faces all of us.

The fallacy of voluntary guidelines introduced by the government is certainly now recognized. When it was opposed by both labour and management the government refused to recognize the dangers that faced them, although it should be clear to them that it was unworkable.

Mr. B. Newman (Windsor-Walkerville): How about this government's five per cent civil service guideline?

Mr. Carruthers: Mr. Speaker, the cost of government is another major factor. It is a cost which has to be supported by a heavy tax burden, and I think this is a situation that we have got ourselves in, and our socialist friends would like to get us in deeper, because government is an expensive—

Mr. Deans: That is nonsense; utter nonsense!

Mr. Carruthers: In the member's mind maybe, but not in the minds and hearts of the people.

Mr. Deans: Just plain simple nonsense.

Mr. Carruthers: Well Mr. Speaker, the latest research indicates that 32.5 per cent of the gross national product in Canada is accounted for by government expenditure—

32.5 per cent of our gross national product is accounted for by government expenditure—

Mr. B. Newman: That is the member's figure.

Mr. Carruthers: —which may be compared to 30 per cent in the United States.

Mr. B. Newman: Nothing close to reality though.

Mr. Carruthers: Oh yes it is.

Mr. B. Newman: It is around 26 per cent.

Mr. Carruthers: This withdrawal of capital from the private field—and I emphasize this fact—this withdrawal results in a direct decline in the productive capacity of private enterprise. The backbone of the country, which is private enterprise, is carrying the burden, a very large burden—

Mr. Lawlor: The member really believes that, I think.

Mr. Carruthers: Yes. The productive middle class of this country is carrying a very heavy tax burden.

Mr. Deans: They certainly are, the member is right, he is absolutely right.

Mr. Young: They have been tired of carrying more than their fair share for a long time.

Mr. Carruthers: The middle class group of this country is carrying too heavy a burden of taxation already and the indications are that a greater burden is going to be placed upon them.

Mr. Deans: What about the poor? They are carrying a pretty heavy burden too.

Mr. Carruthers: Yes.

Mr. Deans: Yes. The only people who get away with it are the member's friends.

Mr. Carruthers: And we are doing everything we possibly can to encourage—

Interjections by hon. members.

Mr. Deans: This government takes money from the poor and gives it to the corporations. It is a good policy. It is about \$50 million. Where does the member think they got it?

Mr. Carruthers: Mr. Speaker, back again in that wonderland of socialist schemes.

Mr. Ferrier: This government is looking after the mining companies well.

Mr. Carruthers: The rapidly growing labour force, particularly in those parts of Ontario where there are limited job opportunities, has increased the jobless ranks significantly; and we have one of the largest growing labour forces in Canada, in fact on the North American continent.

It should be noted that in the Province of Ontario the number of employed men in January, 1971, was 35,000 lower than in December of the previous year; and we had the same record announced yesterday, that we still have a lower number of people employed than we had in May of last year.

It is significant, Mr. Speaker, to note that the number of employed women rose by 9,000 in the same period, and I am sure the member for Hamilton West would be glad to know this.

Mr. Deans: If she were here. Why does the member not let her read it?

Mr. Carruthers: One wonders what the future holds with respect to employment for the heads of families, when the number of employed women rose by 9,000 and in that same period the number of employed men dropped by 35,000. That is rather significant is it not? Rather significant!

Mr. Deans: Would the member explain what he means? The number of employed men dropped by 35,000? You mean unemployed surely? You have said it five times.

Mr. Carruthers: I am sorry. The number of employable men.

Mr. Deans: Ah, now we are getting somewhere. The member should write his own speeches.

Mr. Carruthers: It is particularly disturbing to note that the greatest reduction in employment is occurring in younger age groups.

Mr. Deans: Run through it again.

Mr. Carruthers: I will run through it again. I said the number of employed men in January—

Interjections by hon. members.

Mr. Carruthers: I should not have paid any attention to them.

Mr. Deans: Let us start over again. This does not make any sense.

Mr. Carruthers: Yes it does. Does the member want me to go over it again?

Mr. Deans: Yes. Go over it again please. Start back about seven pages, okay?

Mr. Carruthers: The number of employed men in January, 1971—that is the number of men employed, you understand that—that is 35,000 less than in December of the previous year. And the number of women employed rose by 9,000 in the same period.

Mr. Deans: That is very bad!

Mr. Carruthers: As I said before, one wonders what the future holds!

Interjections by hon. members.

Mr. Carruthers: Despite the employment—if we still regard ourselves as heads of families, one wonders—

Mr. Deans: The member has only got 14 minutes.

Mr. Carruthers: As I say, it is particularly disturbing that the greatest reduction in employment is occurring in the under-age groups—14,000 among the 14 and 19-year-olds, and 11,000 among the 20 to 24-year-olds, as shown by the January, 1971, records for a monthly period.

Mr. Deans: Tell us about the government's programme to compensate for this!

Mr. Carruthers: I am just coming to that.

Mr. Deans: Oh, good. I can hardly wait.

An hon. member: Fourteen minutes.

Mr. Carruthers: Well, Mr. Speaker—

Mr. Good: The note says: "If you quit, we will adjourn."

Interjections by hon. members.

Mr. Ruston: The speech is not very good. The member might as well quit.

Mr. Carruthers: The lack of productivity is due to a number of causes. We live next door to a country—

Mr. Deans: Never mind. We do not understand it either, so do not feel badly about it.

Mr. Carruthers: Mr. Speaker, I am doing the best I can. I realize that I have certain handicaps, among them that group across the way.

Mr. Deans: Listen, with handicaps like us how can the member succeed? I agree.

Mr. B. Newman: Keep it up! The member for Durham is doing fine.

Mr. Carruthers: Mr. Speaker, the lack of productivity is due to a number of causes. We live next door to a country with the highest standard of living in the world, and we, as Canadians, want the same standard, in spite of what our socialist friends would like to do to us.

Mr. Deans: Why does the member keep adding that?

Mr. Carruthers: Unfortunately in order to obtain that standard, we must produce at competitive costs and we must be able to do that. I am afraid this is one of our problems with the foreign market, for example, in motor cars. The foreign manufacturers are encroaching on the market in this country to what?—25 per cent now in the motor car industry. It certainly gives us something to be concerned about. Are we really pricing ourselves out of the market?

Mr. Deans: It is not the fault of the worker though. The worker in Canada is as productive as or more productive than his counterpart in the United States.

Mr. Carruthers: I did not say it was—

Mr. Deacon: It is in the United States.

Mr. Carruthers: I just said the lack of productivity is due to a number of causes, and maybe one of them is that.

Our failure to maintain a competitive position has resulted in increased imports and a resulting reduction in employment. Our failure to compete in the markets of the world and at home is a major contributing factor to the unemployment situation.

I understand the steel company on the west coast is about to shut down because it cannot compete with its Japanese competitor. This is happening every day.

I was listening last night to the news and what do they say? Some 400 industries in this province—they may be large or small—indicated they had given notice they may be closing down. Now that is a pretty bleak future for a province and a country where the natural resources have hardly been scratched.

Mr. Deans: What does the member recommend then?

Mr. Carruthers: I am coming to that.

Mr. Deans: Could the member come to it soon because we are almost at 10:30?

Mr. Carruthers: I think I can make it.

Mr. Speaker, our failure to compete in the markets in the world and at home is a major contributing factor to the unemployment situation. Total Canadian imports in 1970 were about \$14 billion. Over 60 per cent of those imports, or nearly \$9 billion, were end products which required very little or no finishing. Ten years ago this figure was 50 per cent, and what is particularly disturbing, Mr. Speaker, is that about 40 per cent of these end products imported are motor vehicles, their parts and their engines. The effect on an industry which is one of the greatest employers of both skilled and non-skilled labour is very serious and my friend from Oshawa, if he were present, would recognize this fact.

Mr. Speaker, this leads to another aspect of the unemployment situation—Canada's position as a trading nation. This country is committed to a policy of free world trade, which is good and which we all support, but it must be based on the acceptance by other nations that they will purchase all of our manufactured products. It is a two-way street. The high cost of production in this country leads one to think that we are pricing ourselves out of the world market.

Mr. Ferrier: They are not manufacturing enough goods here.

Mr. Deans: It would be helpful if we finished the products ourselves.

Mr. J. R. Simonett (Frontenac-Addington): Be quiet. The member might learn something. I am not sure, but he might.

Mr. Deans: If the member were speaking I would not learn anything. From the member for Durham I might; I am waiting.

Mr. Carruthers: Talking of the General Agreement on Tariffs and Trade, the answer must lie in putting our own house in order, with a better understanding between labour and management. I am not accusing either one, but I say in the future there must be a better understanding between management and labour as to the direction in which we are heading in order that greater production at competitive costs may be obtained.

The significant burden of taxation imposed on Canadian citizens in order to provide costly social programmes is another contributing factor. Secondary industry, for example, provides a very large and a very great proportion of job opportunities, yet the corporation income tax in this country is at a 52 per cent level compared with the United States, our chief competitor, with a 45 per cent level. In Japan, which is making great inroads into our motor car and electrical markets, the corporation tax is from 26 to 35 per cent. In France it is 50 per cent; and in Italy, 49.5 per cent.

It is little wonder, Mr. Speaker, that in these countries there is full or under-employment—and there is, full or under-employment.

One result of the high costs of government in this country, supported by excessive taxation, is sharply increased unemployment figures. The federal government announced just recently plans to increase its payroll by 8,000 employees, raising the total public service employment to approximately 250,000 people. This only results in increased taxation to support a bureaucracy which does little or nothing to create new jobs; and this is just exactly what you, my friends, are trying to do—create a greater bureaucracy.

Mr. Deans: Who me?

Mr. Ruston: This government is hiring them every day.

Mr. Deans: The member has the wrong guy, it is not me.

Mr. Carruthers: I meant him.

Mr. Deans: Oh him!

Mr. Carruthers: What is perhaps more sinister is the withdrawal from the Ontario economy—and I say withdrawal from the Ontario economy—of millions of dollars to bolster another non-creative form of government involvement. I refer to the proposed broadening of the unemployment insurance programme to include all workers except those self-employed. This means that some 1,200,000 more Canadians—and mostly, again my friends, in the middle-class group—will be paying premiums up to \$62 per year.

In Ontario alone, and we always seem to bear the brunt of the taxation burden, 85,000 teachers will contribute and their employers will contribute \$48 for each teacher in this province. The result will be an approximate contribution to the federal coffers of \$8.5 million from that profession alone.

Mr. Speaker: Perhaps the hon. member will very shortly find a convenient place to conclude his address or to adjourn the debate or both.

Mr. Carruthers: Thank you, Mr. Speaker.

The cost to school boards alone will be serious. The cost to school boards, and of schools boards too, will be serious and could result again in increased taxation to the people of this province.

The important fact is that this withdrawal from the private sector of a very large sum of money that could be used directly in the creation of new jobs so badly needed at this time is very serious.

After being channelled through government bureaucracy, the effectiveness of this \$8.5 million is very largely dissipated. The need is for greater gross capital in the economy itself, and for government participation in the free working of the economy to be reduced to a minimum.

Certainly the very significant loss of production through strikes is another important factor in the unemployment situation. Canada lost 7.7 million man-days in strikes in 1970, a record high compared with five million in 1966 and 1968; again I say management and labour must get together and do something about this. In a young country like this we cannot afford it.

Mr. Speaker: I must ask the hon. member either to conclude his address or adjourn the debate, because this House adjourns at 10:30 unless there is a previous order or another order, and we now have four minutes before adjournment time.

Mr. Carruthers moves the adjournment of the debate.

Motion agreed to.

Hon. A. A. Wishart (Minister of Financial and Commercial Affairs): Mr. Speaker, tomorrow there will be a continuation of the budget debate speakers who have indicated a desire to take part; and then the estimates of The Department of Municipal Affairs will go before the House.

Mr. I. Deans (Wentworth): Mr. Speaker, before the House adjourns, I want to ask the House leader if there is no way we could understand, reasonably conclusively, what the House business is going to be, at least 12 hours in advance. This is the third time this week that we have had the same difficulty of

having a commitment from the House leader of certain business to be conducted on the following day only to have it changed at the last moment.

I was informed today, upon asking the House leader what the order of business was to be, that Municipal Affairs estimates would not start until Monday. I find it very difficult to plan any kind of a schedule. I have other commitments that I cancelled for Monday in order to be in the House for these estimates. It is very difficult to plan one's other commitments that go hand in hand with commitments in this House unless we can understand what we are going to be doing.

Hon. Mr. Wishart: Mr. Speaker, I fully appreciate the difficulty which the hon. member experiences and relates to the House. When I announced the budget debate would continue today after the conclusion of the estimates of The Department of Tourism and Information, my understanding was that there were a number of members of the House who wished to take part.

I find there are no members from the opposition party and there is one speaker from the New Democratic Party. A number took part, but the budget debate, after all, does come to an end and I do not think the House wants to sit here idle. I did announce that following conclusion of those budget speeches, which I thought on the information I had would run through tomorrow, we would then not need to go to the estimates of Municipal Affairs until Monday.

Tomorrow morning—actually I do not think the hon. member needs to be greatly concerned because I think what will happen after the question period is that we will have the opening remarks of the Minister of Municipal Affairs (Mr. Bales) and, I trust, the reply from the Leader of the Opposition (Mr. Nixon) or a spokesman for that party and the New Democratic Party. These will probably occupy the morning.

But the House leader can only present to the House those items of business which the House wants to deal with and which are ready, and if the budget speakers are not prepared to carry on the budget debate the House leader cannot conjure up items other than those that are on the agenda.

Hon. Mr. Wishart moves the adjournment of the House.

Motion agreed to.

The House adjourned at 10:31 o'clock, p.m.

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Friday, June 18, 1971



ONTARIO

Legislature of Ontario Debates

OFFICIAL REPORT — DAILY EDITION

Fourth Session of the Twenty-Eighth Legislature

Friday, June 18, 1971

Speaker: Honourable Fred McIntosh Cass, Q.C.

Clerk: Roderick Lewis, Q.C.

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OFFICIAL REPORT - DAILY EDITION

First Session of the Twenty-Eighth Congress

Friday, June 18, 1874

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LEGISLATIVE ASSEMBLY OF ONTARIO

FRIDAY, JUNE 18, 1971

The House met at 10 o'clock, a.m.

Mr. Speaker: This morning as guests we have in the east gallery students from Savard Public School in Englehart and from Massey Public School in Massey and in the west gallery students from John G. Althouse School in Islington and Bellmoore Public School in Binbrook. Later this morning we will have the medical English class from The Department of the Provincial Secretary and Citizenship of this government.

Mr. D. C. MacDonald (York South): Did somebody send a guest invitation to the cabinet?

Mr. Speaker: I would have thought the hon. member would have addressed us in French on this occasion on his return from the National Assembly.

Mr. V. M. Singer (Downsview): Oh, here is the Attorney General (Mr. A. F. Lawrence). Jolly good!

Mr. E. Sargent (Grey-Bruce): Mr. Speaker, I rise on a matter of public importance.

Mr. Speaker: Unfortunately, at this moment, there is no place in the orders of the day for public importance matters. If the hon. member has a point of order or of personal privilege, he may have the floor.

Mr. Sargent: On a point of order, Mr. Speaker, last night there were not enough members in the House to form a poker game. We have come to the point where this government is so completely disorganized no one knows what is going on. There is no one here to run the government. Either we should abolish the sittings or they should shape up or ship out, because we are getting fed up with no one being in the House.

Last night there were two members of the government and about four of the opposition. The member for Durham (Mr. Carruthers) made a good speech and no one was here to hear him. It is getting pretty sickening and it shows how disorganized this group is. Something should be done about it. I call upon you, Mr. Speaker, to make some

rulings, so that the whips should get organized and get this thing moving properly.

Mr. R. G. Hodgson (Victoria-Haliburton): On the point of order, Mr. Speaker, last night, which the hon. member is talking about, there were 11 members of all parties sitting in committee in concurrent session with this House. Yesterday we had a quorum call in this House, which I think is a serious matter, when we had 11 members in that committee and approximately 16 in this House, which made more than the 20, or a quorum. I am wondering if you will not take this under advisement and consideration, sir.

Mr. Speaker: I must agree with the hon. member for Grey-Bruce.

Mr. Sargent: Thank you.

Mr. Speaker: The attendance in this House yesterday was deplorable, and even if there were 11 members in a committee that does not explain where the other 100 members were, because at one time there were no more than nine members in this House. I was quite upset about it, as Mr. Speaker and I had intended drawing it to the attention of the Prime Minister (Mr. Davis) on his return.

I take that as a good point of order and I certainly have the matter in mind.

Hon. A. A. Wishart (Minister of Financial and Commercial Affairs): Mr. Speaker, can I speak to the point of order?

Mr. M. Shulman (High Park): Point of order!

Hon. Mr. Wishart: Just as a matter of information, yesterday afternoon the legislation committee, which involves a number of members of cabinet, was sitting steadily through until last evening.

There was a special meeting of cabinet involving all the ministers. We sat until midnight or later, so that through the evening session I would like the House to know that the ministers were not idle. They were very deeply and seriously engaged and they were available within the precincts of this building, a few doors away.

I just do not want the members to get the impression that—

Mr. Sargent: What is the minister taking Wednesday off for then?

Hon. Mr. Wishart: I do not think the members should get the impression that there was idleness because the ministers were not in the House.

Mr. Sargent: The minister is off all day Wednesday.

Mr. S. Lewis (Scarborough West): Mr. Minister, at 4:10 yesterday afternoon there were two government members in the House.

Mr. Speaker: Order! Order! Order!

I agree entirely with the House leader as far as the cabinet stands. We all know that there were very serious conferences this week and we all know that the cabinet was busy last evening. I do not refer to them at all. But, after all, there are besides that, another 100 members if we take 10 or 12 off that.

In all seriousness, my fellow members, I think that those who make speeches in this House on the budget debate are entitled to the attendance and attention of a few more of us.

Did the hon. member for High Park or someone have a point of order down there?

Mr. Shulman: A discouraged one.

Mr. Speaker: Statements by the ministry.

Oral questions.

FEDERAL-PROVINCIAL CONFERENCE

Mr. Singer: Mr. Speaker, I have a question of the House leader. Since I note in the press that the Premier will be in Sudbury on Monday and Tuesday, is there anyone presently in the House who can give us any up-to-date statement about what happened in Victoria? I think that this is a matter of the utmost public importance and I would be quite prepared to revert to ministerial statements, or handle it any way, because I think we want to know what went on and hopefully, there is some cabinet minister who can tell us.

Hon. Mr. Wishart: Mr. Speaker, I think I can assure the member for Downsview that the Prime Minister will be making a statement with respect to the constitutional conference and I anticipate that statement will be made Monday.

Mr. Singer: Monday afternoon.

Hon. Mr. Wishart: Monday afternoon. I think the Prime Minister may not be in the House today on account of the funeral of Mrs. Robarts, the mother of the former Premier.

REPORT OF ROYAL COMMISSION ON BOOK PUBLISHING

Mr. Singer: Mr. Speaker, I have a question of the Attorney General. Could the Attorney General advise us as to whether or not there is any activity in his department directed to some of the implications emanating from the Rohmer report?

Mr. Speaker, by way of elucidation, we have been trying to ascertain from the Minister of Financial and Commercial Affairs if there is more in the Rohmer report than meets the eye. Specifically, I asked yesterday if there was any police investigation going on and he passed that question to the Attorney General, who is now here.

Hon. A. F. Lawrence (Minister of Justice): Mr. Speaker—

Hon. Mr. Wishart: Mr. Speaker, on a point of order, I did not pass the question to the Attorney General.

Mr. Lewis: Would the minister like to fill him in now before he steps into the fray?

Hon. Mr. Wishart: No, no. I said so far as I was aware, there were none—that I had not completed reading the material that I had, the background material, and that I had not consulted with the Attorney General about the matter because of that.

So I did not pass the question to him. I went on to say that even if the police were engaged in investigation I did not think it would be in the public interest or in the interest of security to announce to the public, through this chamber, what the police were doing.

So I did not pass on any question. Let that not be said.

Mr. Singer: Subject to whatever correction, I ask the Attorney General.

Hon. A. F. Lawrence: In answer to the first question whether there is any activity in my department relating to the report, the second interim report of the Rohmer commission, the answer is obviously yes.

We have had a hand in the preparation of the bill. We have had a hand in the opinions that have been given in relation to the bill in the first instance.

Mr. Sargent: I do not think the Attorney General knows what is going on.

Hon. A. F. Lawrence: Well, I have the same feeling about the hon. member, too, so we are even. In relation to the second aspect of it, obviously this is a matter that not be discussed publicly.

Mr. Singer: Mr. Speaker, by way of supplementary question, since we are being asked to consider legislation emanating from a report that raises several questions and since we have been trying to get answers to those questions, would the Attorney General not agree that it is fair and reasonable that the members of the Legislature be told what the real dimensions of the problem are?

Hon. A. F. Lawrence: Mr. Speaker, in answer to that, may I just say, first of all, obviously, it is the government's belief that such a bill is required, otherwise, it would not be presented to the members of the Legislature. Obviously, the members of the Legislature are not put just on blind faith to accept the government's opinion only. But the reasons for the bill have been and will be discussed further in this House by the members of the executive council whose responsibility it is to present those reasons for that.

Mr. Singer: By way of further supplementary, would the Attorney General think it not a reasonable thing to allow Mr. Rohmer to appear before the legal and administration committee, so that we can get whatever word there is directly from Mr. Rohmer?

Hon. A. F. Lawrence: Apart altogether from what my personal opinion is of what is reasonable or not, and for what it is worth, I do not think that that is a reasonable request simply on the basis that this is a government bill. It is up to the government spokesman and representatives to indicate during the passage or non-passage of that bill by this House as to what they feel the reasons are.

Mr. Singer: The Attorney General obviously does not believe we have a right to know. Is the Attorney General concerned at all about the possible role that any organized group of criminals might be playing in the paperback distribution business?

Hon. A. F. Lawrence: I am sorry; I missed the first part.

Mr. Singer: Is the Attorney General aware or concerned about any possible role that organized criminal groups may be playing in the paperback book distribution business?

Hon. A. F. Lawrence: Am I aware, or do I have any concern?

Mr. Singer: Yes. Would the Attorney General tell us if he is aware and the extent of his concern?

Hon. A. F. Lawrence: Yes; I am aware and the extent of my concern is that I recommend that the bill be brought in.

Mr. Singer: Is there any criminal action contemplated?

Hon. A. F. Lawrence: At the moment, right now? No.

Mr. Lewis: By way of supplementary, Mr. Speaker, am I not right, although I was not here at the time—I do not think the Attorney General was either—that, when the bill was introduced, the rationale for the bill was to prevent a corporate takeover, an American corporate takeover, of Canadian book distribution first?

All right. Am I not now to understand that the rationale has changed, yesterday and today, that the existence of possible criminality figured largely in the introduction of the bill. Is that not what the Minister of Financial and Commercial Affairs and the Attorney General have been saying yesterday and today?

Hon. Mr. Wishart: No change!

Hon. A. F. Lawrence: Yes, Mr. Speaker, yes; that is what we have been saying.

Interjections by hon. members.

Mr. Speaker: Order!

Hon. A. F. Lawrence: Yes; that is what we have been saying. There has been no change in the rationale. That is what the member said. The question of the leader of the NDP groups was phrased in a very negative manner there.

Mr. MacDonald: A very positive one.

Hon. A. F. Lawrence: No, no; it was a negative manner. He said—

Mr. Lewis: I admit it induced some confusion.

Hon. A. F. Lawrence: No; there is no confusion. We know what we are doing. The answer is yes; there has been no change in the rationale.

Mr. Lewis: By way of supplementary, Mr. Speaker, what does the Attorney General mean when he says that he is aware of criminal activity in the book distribution field?

Hon. A. F. Lawrence: No, the question was am I aware, as I understood it; am I aware that there is a potential danger in the book distribution field, and I am concerned? The answer to that was yes, obviously, because this deals with the question of monopoly, foreign control. It deals with—

Mr. Lewis: Foreign control does not always involve criminal element.

Hon. A. F. Lawrence: No, but when you deal—

Mr. Singer: There are a few honest foreigners.

Mr. Lewis: That is your view.

Hon. A. F. Lawrence: When you tie in with this, certain aspects of distribution of pornographic literature, the whole thing obviously is worrisome enough, coupled with the concentration in foreign hands, for us to bring in such a bill.

Really, Mr. Speaker, these matters, I would assume, are matters that should be debated and discussed in the House on second reading, and in committee on the bill.

Mr. Lewis: Not at all; that is not your presumption to make.

Mr. Speaker: We discussed that angle of it at an earlier date when the hon. minister was present at the conference elsewhere. I allowed, as I am allowing today, a certain amount of discussion and when I feel it has gone far enough, I will announce, as I did then, that they are proper questions for second reading.

The member for High Park has a supplementary? I think we will have one from the member for High Park and then we will pass it back to the member for Downsview.

Mr. Shulman: Mr. Speaker, is the minister suggesting that pornographic literature in this province is being distributed by organized crime?

Hon. A. F. Lawrence: No, I did not suggest that.

Mr. Speaker: The member for Downsview.

LORD'S DAY ACT PROSECUTION

Mr. Singer: Mr. Speaker, I have a question of the Attorney General. Could the Attorney General explain the apparently incongruous action involved in his approval of the prosecution of Collectors' Corner for carrying on business on Sunday, while his colleague, the Minister of Tourism, in a booklet entitled "Ontario Events" says, "It is a good thing for the citizens to know that similar actions are going on in Thornhill, Richmond Hill, Woodbridge and Aberfoyle"?

Hon. A. F. Lawrence: I do not think there is any conflict. This discretion in the Attorney General to prosecute for offenses against The Lord's Day Act is one that I personally dislike intensely.

For this reason my predecessor in this office asked the Law Reform Commission to bring in a report on Sunday observance, which is being studied now within the government and hopefully will be acted upon before too long in some manner, shape or form by the government and presented to this House for discussion. In the meantime, the Attorney General is still stuck with these requests for prosecution by the local police authorities.

I can tell this House that in no case where the limitation period has not expired has there been a request for me from the local police authorities to prosecute—since I got into this office in any event—under The Lord's Day Act, have I not consented to the prosecution. Again it is one of these, in my mind, antiquated procedures and the request has to come from the local police authorities, and then there is the discretion in the Attorney General as to whether or not the prosecution should take place.

In all cases, I have exercised my discretion, as I say. Where the limitation has not expired, I have approved of those prosecutions simply because I feel that where the local police themselves, for their reasons, believe that such a prosecution should take place, they are better judges of the situation than I am.

Hopefully this whole mess is going to be cleared up sometime or other in the near future when the legislation is brought forward. That, of course, will require federal

consent as well. This is not just a problem that is exclusive to the Province of Ontario; obviously it is right across the country.

Mr. Singer: By way of supplementary: Could the Attorney General please advise what sense it makes when he allows the prosecution of one business and his colleagues invite the people of Ontario to go to other businesses in different parts and break the same law as the Attorney General has just had a part in, in a prosecution?

Hon. A. F. Lawrence: Yes. As I said, presumably there are reasons at the local level, at the local police level, for those prosecutions to take place. When they come in, I exercise the discretion I have so far as approving those prosecutions is concerned.

Mr. Singer: The law is an ass and the Attorney General is making it more of an ass.

Mr. W. Hodgson (York North): Like the member for Downsview.

Mr. Lewis: That is not to say that the Attorney General is an ass?

Mr. Singer: No, he is making more of an ass of the law than ever before.

Mr. Lewis: May I ask the Attorney General, why he will not—

Hon. A. Grossman (Minister of Trade and Development): The member will accomplish that—

Mr. Lewis: —why he is waiting on the implementation of the Law Reform Commission proposals?

Hon. A. F. Lawrence: Simply that my plate at the moment is pretty filled with a number of other things. There simply has not been the time—and I assume will not be the time this session, unless we want to sit right into July and August—to bring in the type of comprehensive legislation suggested by that Law Reform Commission report.

In indicating that, I am not indicating either that the government will necessarily follow that Law Reform Commission report. I am saying to you there has not been the time this session—it was only handed to me about 1½ months ago at the most—there simply has not been the time to come up with the comprehensive study of that report and the implications that would arise as a result of any legislation based on that, not only at this level, but at the federal level as well.

Mr. Lewis: By way of supplementary: Does the hon. minister mean to say that with the full report and recommendations before him, he is prepared to delay on it, but continue rather, to lock himself into what he himself calls an antiquated procedure of discretionary prosecutions which are offensive to the minister and irrelevant publicly?

How much more than six or eight weeks does the hon. minister need to formulate legislation when he has got a full report in front of him and many months of discussion preceding it?

Hon. A. F. Lawrence: There are a number of implications arising not only at this level of government but at another level of government from that report.

Mr. Singer: By way of supplementary: Is the Attorney General prepared to advise us that he accepts in principle the recommendations made in that report?

Hon. A. F. Lawrence: I just said a minute ago, no, I am not.

Mr. Singer: Does he have any opinion about the report?

Hon. A. F. Lawrence: Yes.

Mr. Singer: What is it?

Hon. A. F. Lawrence: That will be forthcoming when the legislation is presented.

ALLEGED MISTREATMENT OF DON JAIL INMATE

Mr. Singer: In a year or two? Mr. Speaker, I have another question of the Attorney General. Has the Attorney General, or any of his officials, investigated the allegations made by Paul Rimstead in a series of two articles in the Telegram, concerning what would appear to be the most inhuman treatment given to a man named Thomas Subject in the Don Jail? If the Attorney General is not aware of this—

Hon. A. F. Lawrence: I will have to take that one as notice.

Mr. Singer: All right, because the allegations in these two articles are most serious in nature. I was hoping to get the Minister of Correctional Services (Mr. Apps) but he has not been here and I think this demands immediate attention.

Hon. A. F. Lawrence: If the hon. member would send over the material he has I would be glad to look at it and take the question as notice.

Mr. Speaker: Has the member completed his questions?

Mr. Singer: Yes.

Mr. Speaker: The member for Scarborough West.

DISTRIBUTION OF PAPERBACKS AND PERIODICALS

Mr. Lewis: Mr. Speaker, with your permission I would like, by way of a new question, to refer to an earlier theme very briefly, as I am still confused in my own mind. To the Attorney General: Has the Attorney General present awareness of either criminal involvement or control of activity in the book distribution field, which resulted in the legislation introduced—in whole or in part in the legislation introduced by government—present awareness, not theoretical awareness, but present awareness?

Hon. A. F. Lawrence: I am sorry?

Mr. Lewis: Has the minister a present awareness or a present knowledge of criminal activity in the book distribution field in Ontario, which resulted, in whole or in part, in his legislation being introduced?

Hon. A. F. Lawrence: No.

Mr. Lewis: Okay.

Mr. P. D. Lawlor (Lakeshore): That is better than saying yes.

Hon. A. F. Lawrence: No, that is not what I said yesterday.

Mr. Shulman: Mr. Speaker, if the minister has no such awareness, why has he tolerated the roughing up of bookstore clerks—pictures of which he has been shown—by police officers when no charges were laid?

Hon. A. F. Lawrence: I think those two questions are quite separate and apart. I do not think that they are the same question at all.

Mr. Shulman: I will ask a new question, if I may when I have a chance, Mr. Speaker.

Mr. Speaker: The member for Scarborough West.

ROUGH TREATMENT OF BOOKSTORE CLERKS

Mr. Lewis: I would like to ask a question, Mr. Speaker, which came spontaneously to mind. Why has the Attorney General allowed the roughing up of store clerks in this area when no charges have subsequently been laid?

Hon. A. F. Lawrence: This matter is being investigated.

Mr. Shulman: By way of supplementary, Mr. Speaker: Inasmuch as the Attorney General has said this matter is being investigated for some weeks now, does he intend to take any early action? It is at least 10 days or two weeks since he has had the picture sent to him.

Hon. A. F. Lawrence: No, that is absolutely untrue. The hon. member showed me those pictures one night in the House just last week, I am sure.

Mr. Lewis: That could be 10 days ago.

Hon. A. F. Lawrence: I am sorry, it was about a week ago.

Mr. Shulman: It was 10 days ago.

Hon. A. F. Lawrence: It was about a week ago—

Mr. Singer: Let us quibble.

Hon. A. F. Lawrence: —and, as the hon. member is aware, I have not been in this jurisdiction this week until yesterday afternoon.

Mr. Lewis: What does the minister mean, “this jurisdiction”? Does he mean arresting store clerks?

Hon. A. F. Lawrence: I mean this police jurisdiction.

AGRICULTURAL WORKERS FROM WEST INDIES

Mr. Lewis: A question of the Minister of Agriculture, if I may: Have the Canada Manpower people been in contact with the Ontario Agriculture Minister about the importing of I believe, 1,000 agricultural workers from the West Indies to work on the Niagara fruit and vegetable farms? Has the minister some observation about that, in view of the unemployment levels in that part of the world?

Hon. W. A. Stewart (Minister of Agriculture and Food): Mr. Speaker, the arrangements that have been worked out with the Canada Manpower people to have people come in from the West Indies is a continuation of the programme that has been in existence for a number of years. It is worked out in co-operation with our department, Canada Manpower and the various agricultural commodity groups in the respective areas to be served.

The reason those who wish these people to come in from the West Indies, very simply is because they are a very dependable source of labour; they are doing an excellent job, and have proved so in the past. I believe there is a reduction in the number this year. I am not sure what the percentage figures are. They are available, in comparison with other years, but I do not have them at my disposal at the moment.

I am sure that a good deal of thought was given to the availability of other help as well. But there has not been the assurance in other years that help was available at the time it was required—that is, the day that it was required, not a week hence. This is one of the reasons why this very dependable and excellent source of labour has been allowed to come into the Province of Ontario.

Mr. Lewis: By way of supplementary, Mr. Speaker, I do not for a moment doubt that the West Indian workers are reliable and dependable workers, but at a point when unemployment in Ontario was 175,000 in the middle of May, does not the minister feel that we could profitably put 1,000 people to work in this area?

Hon. Mr. Stewart: It is possible, Mr. Speaker, but I am sure the Manpower officers have not found themselves inundated with people who wish to work at stoop labour.

Mr. Lewis: At what? Oh, at stoop labour.

Hon. Mr. Stewart: At stoop labour, which is kind of labour that is involved here; it is the handling of crops that have to be picked and handled by hand. One of the difficulties we have had in the past is to find those people who are willing to work at that kind of work.

Mr. Speaker: A further supplementary?

Mr. Sargent: A supplementary, Mr. Speaker: In view of the fact that these extra 1,100 people are going to cost the producers

a lot more money because of housing they have to supply for them, there must be more liaison with this department insofar as as screening the labour market to provide an equal force here from our labour force. Has the minister done anything about it?

Hon. Mr. Stewart: Yes. This has been worked out very closely with the Canada Department of Manpower. The two work together very closely. It is an excellent working arrangement.

Mr. Sargent: But we are still going to bring them in?

Hon. Mr. Stewart: Yes.

Mr. Sargent: Is this not an admission that we cannot find 1,100 people here to do this kind of thing?

Hon. Mr. Stewart: I would not say it was an admission. But we do have a programme that has been carried on for a number of years, and as I pointed out earlier, Mr. Speaker, we have found that these men do an extremely good job of the work that is provided for them. They are excellent and dependable workers.

Mr. Sargent: Is the minister saying in effect that Ontario labour could not do the job?

Hon. Mr. Stewart: We are saying there has not been the response to that kind of labour availability in the past that we would have hoped there might have been.

Mr. Sargent: What has this department done this year to try and find out?

Hon. Mr. Stewart: This year? I cannot say, right at the moment, that we have gone into any advertising campaign. But there are a very great number of people who will be employed. For instance, in the southwestern Ontario corn area there will be jobs provided for, I believe it is something like 4,500 students, in addition to what has been available in the past. This is for corn detasselling. There are many, many students who are employed in these various fields, particularly in the tobacco harvest where most of the labour for tobacco harvesting is provided by the Province of Ontario. But other fruit areas, where people get out and pick strawberries, for instance, we have not really found that there has been an overflow of people wanting to get into that kind of work.

The fact is that we have had over a number of years, Mr. Speaker, a farm labour

housing project that has gone on in Ontario, where we contribute a certain amount to the establishment of quarters that are satisfactory and that meet the approval of the local medical officer of health and the local people in the municipality, which will provide living facilities for labour during the summer months. Those facilities are already there. The farmers want them. I see no reason why we should deny them this source of labour.

Mr. Speaker: The member for Wentworth. A supplementary?

Mr. Sargent: Finally, then—

Mr. Speaker: These are sufficient supplementaries from this member. The member for Wentworth has a supplementary?

Mr. I. Deans (Wentworth): A supplementary question: Can I ask the minister whether there has been any effort made to find student labour to do this kind of work, and whether there has been any programme at all that has taken the knowledge that this work is available into the high schools and the universities to find if there are people who are eager and willing to do this kind of work for the money that is available?

Hon. Mr. Stewart: I cannot say definitely one way or the other, but I do know that the Canada Manpower offices do make available the opportunities for farm labour employment.

Mr. Deans: Would the minister be prepared to find out just what has been done in the way of making available information in regard to this work, including the money that can be earned and the money that is going to be spent in bringing the workers from the West Indies to Canada and, then, inform the House of the extent of the programme that has been undertaken?

Hon. Mr. Stewart: Oh yes, Mr. Speaker, I would be pleased to look into that.

Mr. Speaker: The member for Riverdale.

Mr. J. Renwick (Riverdale): Mr. Speaker, by way of a supplementary question, are the employers mainly corporate organizations that import the people for this particular purpose?

Hon. Mr. Stewart: No, Mr. Speaker, they are not. There could be one or two corporate entities involved, but they are very few. These are mostly farmers who are fruit farmers or vegetable farmers who require this kind of labour.

Mr. J. Renwick: But, Mr. Speaker, by way of a supplementary question, are they, in fact, farmers who are tied now into the fruit and vegetable corporate activities of the canning business?

Hon. Mr. Stewart: No, not necessarily.

Mr. Speaker: The member for Scarborough West.

LOWERING OF VOTING AGE

Mr. Lewis: I have a question, Mr. Speaker, of the Attorney General.

Mr. Speaker: The Attorney General.

Mr. Lewis: Mr. Speaker, could I ask a brief question of the hon. Attorney General, which—

Mr. A. W. Downer (Dufferin-Simcoe): I am very sorry.

Mr. Lewis: No; it is all right. The member for Dufferin-Simcoe is obsessed with this question himself.

Can the Attorney General confirm the very strong rumours that the voting age and, indeed, age of majority is about to be lowered in the Province of Ontario, and can he give us his personal reflections on it?

Hon. A. F. Lawrence: This matter is under the active consideration of the government at the moment.

Mr. F. Young (Yorkview): Remember the minister's words during the leadership campaign?

Mr. Singer: No wonder the Attorney General has so many questions.

Hon. A. F. Lawrence: That is right. We have a lot of questions.

Mr. Singer: No answers, but lots of questions.

Mr. Speaker: Order!

FEDERAL-PROVINCIAL CONSTITUTIONAL CONFERENCE

Mr. Lewis: A question of the provincial Treasurer: Can some of the background documents to the constitutional conference now be tabled in the Legislature so that we may know the formal positions taken by Ontario?

Hon. W. D. McKeough (Treasurer): I do not think there were that many background papers necessarily. There were obviously some papers within the government but I do not think it would necessarily be appropriate to table them. The Prime Minister did release the statement which he made on social policy. I do not think beyond that there are any further papers which might appropriately be released.

I am informed this morning that we will have sufficient copies of the charter for all members on Monday.

HOUSE BUSINESS

Mr. Lewis: I have a question, Mr. Speaker—the last question—of the House leader.

Can the House leader give the House any indication whatsoever of the plans for sittings over the next week or two or three or four? What is the House leader's intent about a recess, if any, about adjournment, if any, about estimates, and so forth. I really think that we might usefully know.

Hon. Mr. Wishart: I can furnish some information, Mr. Speaker, which may be useful. I understand that the private members' hour on Monday will come to an end, that we will not be pursuing that. I believe that has been arranged by the whips with the knowledge and consent of their parties. So, on Monday we will do the ordinary business of the House straight through until the 6 o'clock hour.

As to the holiday which comes on July 1, which I believe is a Thursday, the plans, again I believe concurred in and arranged by the whips and with the knowledge of members, are that we will sit on the Wednesday, June 30. It is proposed to sit until 1 o'clock on that day and then adjourn to return on the Monday, so that on the holiday, Thursday, and on the Friday the House will not be in session.

As to the other business of the House it will just be the regular business. We have a substantial amount of legislation on the order paper in various stages. We will be dealing with that. I have indicated, I think, the arrangements with respect to estimates. I can repeat those.

Education will be going to committee. As for Municipal Affairs, I understand that when the budget debate, which will continue this morning, concludes—at whatever time it does conclude—it will be followed by the Minister of Municipal Affairs presenting his estimates

and, I take it, the comments of the opposite parties. That is a slight variation from what we had hoped yesterday, that the budget debate would take up this morning. It would appear that not a sufficient number of members have shown an inclination to speak, at least today. The rest of the business of the House will just continue in the processing of the legislation which is on the order paper.

Mr. Lewis: By way of supplementary, then, is it the government's intention to carry right through until estimates have been concluded and all bills have been concluded at whatever termination date in July it may be?

Hon. Mr. Wishart: I would hardly be so expansive in my language as that. I do not think it is necessarily the government's intention that every piece of legislation on the order paper would have to be concluded, nor—

Mr. Singer: It is all under active consideration.

Hon. Mr. Wishart:—nor would it be necessary, really, as members know, to complete all the estimates. I am hopeful that we may find the time to do that. Of course, it depends how much time they take to do it, but it is not essential that we complete every item of business now showing on the order paper.

Mr. MacDonald: The government has options open in all directions.

Mr. Lewis: A continuing shambles.

Mr. Speaker: I wonder if the members would allow Mr. Speaker to inquire of the House leader about Wednesday, June 30. He said the House would sit until 1 o'clock and normally on Wednesdays the House does not sit and I am wondering if the members are to be in the House or to be in committee that day.

Hon. Mr. Wishart: I think, Mr. Speaker, that the thinking is that the committee work will be suspended, if it is not concluded, and that the members will be in the House.

Mr. Shulman: Until 1 a.m.?

COMMITTEE ON METRIC SYSTEM

Mr. R. G. Hodgson: A question of the Minister of Trade and Development: I wonder if he will consider setting up a committee on the metric system similar to the one the federal government has set up.

Hon. Mr. Grossman: I believe, Mr. Speaker, that this is a matter which has been under study in my department, in co-operation with the federal government, for some time.

Mr. Speaker: The Provincial Secretary has the answer to a question asked the other day which we should have now.

SPECIAL ENGLISH TESTS FOR NEW CANADIANS

Hon. J. Yaremko (Provincial Secretary): Mr. Speaker, the hon. member for Downsview asked a question about the use of tests being given to new Canadians regarding their level of education.

In reply I might say that the citizenship branch of the department does provide its own general language achievement test for students in English classes and issues a certificate to successful candidates.

The Michigan test, to which the hon. member made specific reference, is intended for the use of universities in assessing the ability of foreign students to follow normal lectures in English. It has been used for many years by universities throughout North America and in many other parts of the world as a criterion for admitting foreign students to courses given in English.

In Ontario this test is administered by the University of Toronto and the Toronto Board of Education by special arrangement with the University of Michigan. The test is specific in that it is meant for the academic student.

It should be noted that all attempts—including the Michigan test—to measure objectively the general language capacity of speakers of a second language have only been partially successful. However, it has been found that you can measure a certain area of language and the present trend in testing is to devise limited areas covering specific language areas.

The citizenship branch, in co-operation with The Department of Education and representatives of the community colleges, is now preparing testing materials with limited objectives to be used in community colleges throughout the province.

The branch has also prepared specific tests for an experimental language course for doctors. This is now being conducted in co-operation with the University of Toronto and Canada Manpower. The hope of the citizenship branch is that it will lead to more specialized courses with specialized tests for

other professions or trades and I believe Mr. Speaker, that some time later this morning, or in the building presently, some 60 doctors taking this course are visiting us.

Mr. Speaker: The member for Grey-Bruce, unless there are supplementaries.

OFFTRACK BETTING

Mr. Sargent: Mr. Speaker, a question of the Attorney General. I realize that he and the provincial Treasurer have had a hard week, but in view of the fact that in less than one month about 2,000 employees of the racing industry will be losing their jobs by the closing of the tracks, is the minister in a position to state the government's policy on the offtrack betting control and policing. And secondly, in his studies, does he plan to use the facilities of the Liquor Licence Boards across Ontario as district betting offices?

Hon. A. F. Lawrence: Mr. Speaker, while in Victoria this week, I had the opportunity of having further discussions with the Minister of Justice. The Minister of Justice now certainly knows our opinions and our policies in respect of this matter. He has this in writing and it has been given to him verbally. However, the difficulty simply is that the Minister of Justice in Ottawa has to deal not just with the Attorney General of the Province of Ontario, he has to deal with the Attorney General of all of the provinces. And, while there has been no active request to me so far to start making public statements at all, the very distinct feeling I have from him is that this is a matter that should be talked over with him by all of the Attorneys General at the same time. Until I have some clarification—which I have asked for from him—respecting this matter, I really think that it would be fairer to the federal government for me not to engage in any more public discussion or public debate in this House about the matter.

If the hon. member can really please show some patience with me on this, I am sure the answers to his specific questions will be forthcoming before long, or at least, our policy in this regard will certainly be made clear to him and to the House. But in the meantime, I really feel bound that I should not indicate as yet to this House what I have indicated to the federal government simply because the federal Minister of Justice wants to discuss our views with the other Attorneys General.

Mr. Sargent: So in effect, then, the offtrack betting establishments across Ontario will go unpoliced until when? And secondly, is the Attorney General in contact with the Ontario Jockey Club to not close their track?

Hon. A. F. Lawrence: Well, I am glad the hon. member brought that point up, that the offtrack betting offices at the moment are going unpoliced, because, of course, they are being policed. Where we have evidence, where the police have evidence, that the present Criminal Code is being broken—or there are allegations that it is being broken—prosecutions are taking place almost daily.

Mr. Sargent: But we have no way of knowing.

Hon. A. F. Lawrence: We have no way of knowing what? That the Criminal Code is being broken?

Mr. Sargent: That the money gets to the track; where the money goes. There is no record at all.

Hon. A. F. Lawrence: Well, these are questions that are being decided almost daily in the courts.

Mr. Speaker: The member for York South.

Mr. MacDonald: I have a question for the Minister of Financial and Commercial Affairs.

Mr. Speaker: I think we are running short on time and I think this should be sufficient questions.

Mr. MacDonald: The Minister of Financial and Commercial Affairs—

Mr. Speaker: The member for York South has the floor.

REPORT OF FRANCHISES COMMITTEE

Mr. MacDonald: Since 48 hours or more have elapsed from the conclusion of the minister's estimates, is he in a position to indicate to me what the government's policy will be with regard to franchises?

Hon. Mr. Wishart: Well, Mr. Speaker, I think I mentioned in the estimates, and perhaps once since, that I just received during the estimates—

Mr. MacDonald: I said I would give the minister 48 hours.

Hon. Mr. Wishart: Well, I, of course cannot be quite limited by the restrictions the hon. member puts upon me as to time. I received that report, which is quite a substantial report, during my estimates. I think I will be announcing a policy and tabling the report perhaps very shortly.

Mr. MacDonald: A supplementary question: Is the minister aware of the fact that Arrow Petroleums Limited in Windsor is now serving eviction notices on retail licensees, because they refuse to accept an agreement which forces them into retail price maintenance, in other words, in violation of the federal combines legislation?

Mr. Ruston: Ask the member for Windsor-Walkerville (Mr. B. Newman). He asked that a few days ago.

Hon. Mr. Wishart: I have a fairly complete awareness of what has been taking place in that matter.

Mr. MacDonald: A final supplementary: How long does the provincial minister tolerate franchises in this province which are in violation of the federal law?

Hon. Mr. Wishart: I do not know that that is a fact, Mr. Speaker.

Mr. Speaker: The member for York Centre.

Mr. D. M. Deacon (York Centre): I have a question, Mr. Speaker, of the Minister of Trade and Development. Oh, he has gone. Sorry.

Mr. Speaker: The member for Huron-Bruce.

UNEMPLOYMENT INSURANCE FOR GOVERNMENT EMPLOYEES

Mr. M. Gaunt (Huron-Bruce): Mr. Speaker, I have a question of the Treasurer. Has the government decided to cover all its employees under the unemployment insurance scheme?

Hon. Mr. McKeough: A decision has not yet been reached on that matter.

Mr. Gaunt: A supplementary, Mr. Speaker: When is that decision expected? Shortly? In the fullness of time?

Hon. Mr. McKeough: In the fullness of time.

Mr. Speaker: The member for Lakeshore.

Mr. Gaunt: A supplementary: Does the minister know roughly what the cost of such a programme would be?

Hon. Mr. McKeough: The cost will depend to a great extent on what rate we are charged, and that is a matter which we are obviously considering. Provincial service is a low turnover and there is some reason to suggest that we will have a low rate. But that is a matter which we are discussing with the government at Ottawa at the present time, and that is one of the reasons why we have not arrived at a final decision as to whether we should go in or not.

It is our understanding, just for the information of the member, that most of the other provinces are of the same opinion. I think several of them have decided to stay out of the plan entirely. Our concern is, of course, that we do have a number of seasonal and casual employees. Somehow or other, in the long run, they are going to be covered either under federal unemployment insurance or perhaps by some scheme that we may have to work out ourselves. I think the cost is in the neighbourhood of—this is just off the top of my head—let us say, \$5 million. That is a ball-park estimate. But it depends on the experience and the ratings which are given. If you add it all up, the cost to the province for the school boards and municipalities, where we share, is something in the neighbourhood of \$20 million.

Mr. Gaunt: A supplementary: I gather that one of the actions being considered is the possibility of setting up the government's own scheme?

Hon. Mr. McKeough: I do not think very seriously, but we are looking at that.

Mr. Speaker: The member for Lakeshore.

Mr. Lawlor: My minister is gradually disappearing from view, just as my question is.

Mr. Lewis: The Minister of Labour is here.

Mr. Lawlor: I would like to ask a question of the Minister of Labour.

Mr. Speaker: I am pleased to see that the Minister of Labour is here.

LAYOFFS AT STANDARD COIL PRODUCTS

Mr. Lawlor: While the minister is taking his seat, Mr. Speaker, if I may, is the hon. minister aware of the extensive layoffs taking

place at Standard Coil Products (Canada) Limited, whereby certain tuning devices for TV, which were developed and refined in this country, are being shipped down to Mexico for manufacture?

Hon. G. Carton (Minister of Labour): No; Mr. Speaker, I am not aware of that.

Mr. Lawlor: A supplementary: Would the minister look into the situation and rectify it instantler?

Hon. Mr. Carton: I will look into the situation, Mr. Speaker.

Mr. Lawlor: Thank you very much.

Mr. Lewis: And rectify it instantler?

BACKLOG OF COURT CASES IN NIAGARA REGION

Mr. R. Haggerty (Welland South): A question of the Attorney General and Minister of Justice: Is the minister aware of the present backlog of court cases waiting to be heard in the provincial courts in the Niagara region? Would the minister take the necessary steps to extend the sittings of the provincial courts in the town of Fort Erie, and particularly Ridgeway, on a day-to-day basis from June 1 to September 15 to speed up the court cases?

Hon. A. F. Lawrence: I am very concerned to hear that there is a backlog of cases. Could the hon. member tell me what types of cases they are? My information—I try to check on almost a weekly basis with my officials about this matter; we want to keep on top of this—my information was that anywhere in the province, the only real backlog of cases at the moment was in relation to drug prosecutions which are outside our control. What type of cases is the hon. member indicating there is a backlog of?

Mr. Haggerty: Mr. Speaker, this deals with the village of Crystal Beach in the town of Fort Erie.

Hon. A. F. Lawrence: The what in Crystal Beach?

Mr. Haggerty: Crystal Beach—it is a tourist area—this deals with traffic violations and other charges under The Liquor Control Act and that. It takes a matter of about two or three months, perhaps, to process them and then September comes by and there are no persons around to come before the courts.

Hon. A. F. Lawrence: I have not heard of this backlog. I am surprised about it and I will check into it right away.

Mr. Haggerty: Check into Hansard last year.

Mr. Speaker: The oral question period has expired.

Petitions.

Presenting reports.

Hon. Mr. Yaremko presented the annual report of the Ontario Municipal Employees' Retirement System.

Mr. Lewis: Is there some independence day today?

Hon. Mr. Yaremko: There will be one next week.

Mr. Lewis: The minister is optimistic about it? Surely there is something he can do that is purely political for that?

Hon. Mr. Yaremko: The member's insensitivity will keep him on that side.

Mr. Speaker: Order! Order for the report of the committee.

Hon. Mr. Yaremko: He is completely insensitive.

Mr. Speaker: Order! Order!

Mr. Lawlor: Can the minister not find any flag to wave today?

Mr. Speaker: Order! We have a committee report which the members should hear.

Mr. C. G. Pilkey (Oshawa): It is motherhood day in Tanganyika!

Hon. Mr. Yaremko: The NDP leader has a rock for a heart.

Mr. R. G. Hodgson (Victoria-Haliburton) from the standing legal administration committee reported the following resolution:

RESOLVED,

that supply in the following amounts and to defray the expenses of The Department of Labour be granted to Her Majesty for the fiscal year ending March 31, 1972:

Department of Labour	
Departmental administration	
programme	\$ 3,679,000
Safety and technical services	
programme	5,326,000

Industrial relations programme ..	1,915,000
Manpower development	
programme	12,707,000
Human Rights Commission	
programme	498,000
Employment Standards	
programme	1,549,000
Athletics Commission	
programme	211,000

Mr. Speaker: Motions.

Introduction of bills.

Mr. D. Jackson (Timiskaming): Mr. Speaker—

Mr. Speaker: Yes, introduction of bills?

Mr. Jackson: Mr. Speaker—

Mr. Speaker: The hon. member will understand government bills always have priority, and I try to make sure there are none before calling on private members. The member for Timiskaming.

WORKMEN'S COMPENSATION ACT

Mr. Jackson moves first reading of bill intituled, An Act to amend The Workmen's Compensation Act.

Motion agreed to; first reading of the bill.

Mr. Jackson: Mr. Speaker, this amendment provides that a total disability allowance paid to a workman will not be reduced when his disability becomes partial until suitable employment is reasonably available.

Mr. Speaker: Orders of the day.

Clerk of the House: The 23rd order, House in committee of supply; Mr. R. D. Rowe in the chair.

ESTIMATES, DEPARTMENT OF MUNICIPAL AFFAIRS

Mr. Chairman: The estimates of The Department of Municipal Affairs. Does the minister have an opening statement?

Mr. S. Lewis (Scarborough West): I thought we were going to complete the budget today? On a point of order, Mr. Chairman. I take it then, to the House leader, that the budget will not be completed this morning? We have now again changed the order.

Hon. A. A. Wishart (Minister of Financial and Commercial Affairs): I guess the hon. member was not here last evening when I went through all this matter.

Mr. Lewis: I just heard it today.

Hon. Mr. Wishart: It was announced in the House last night.

Mr. Lewis: The House leader answered a question today and said he was finishing budget and going to estimates.

Hon. Mr. Wishart: Apparently there are no speakers to go on to budget, so it is finished.

Mr. Lewis: But the man is there.

Hon. Mr. Wishart: That is consistent.

Mr. Lewis: He is sitting in his seat. He was in mid-budget—

Mr. W. Hodgson (York South): He can speak for himself. The member does not have to speak for him.

Mr. Lewis: The fact is, Mr. Chairman, as you no doubt are aware, the House is in relatively genial chaos. We do not know from day to day or hour to hour in what order the minister will have things introduced. I think some control should be exercised on it.

Interjections by hon. members.

Mr. Chairman: I have no comment on that—

Mr. Lewis: I did not think you would.

Mr. Chairman: The Minister of Municipal Affairs.

Hon. D. A. Bales (Minister of Municipal Affairs): I am pleased to come before the House with the estimates of The Department of Municipal Affairs. I was away on Tuesday but I was inflicted with some of the bugs that are affecting some people these days.

Mr. Chairman, I am pleased to come before the House today with the estimates of my department. I believe that in Municipal Affairs we are doing useful and essential work for the people of this province.

Mr. Chairman, I am sorry that he has just left the House, but before proceeding I would like to acknowledge the work of my predecessor in this portfolio (Mr. McKeough). As you all know, he launched a number of broad programmes concerning the reform of taxation in Ontario and the restructuring of municipal government. He did a great deal to improve and upgrade the department and

substantial progress was made during the tenure of his ministry. I shall, of course, do my best to assure continued progress.

I wanted to pay tribute to and recognize the work of the staff of The Department of Municipal Affairs. The responsibilities of the department have grown rapidly in recent years and the staff has adapted to the increasing responsibility with enthusiasm. Much credit is due them for the success with which the programmes have been carried out.

I want to deal in my brief remarks with the municipal tax reform and the restructuring of the relationship between the Ontario government and the municipalities of the province. As a member of a municipal council for a few years and more recently as a member of the government, particularly in this portfolio, I fully appreciate that municipal government is a very complex field of public policy.

The Department of Municipal Affairs is a department that has a vital role to play in the total and complex governing process, and in the reshaping of that process to ensure that it can respond to modern needs.

In the past few years there have been dramatic changes in all areas of our society and these changes have not left our system of government unaffected. The municipal people are searching for new structures to enable them to provide services to their citizens.

For example, the Association of Counties and Regions of Ontario, in their publication entitled "Guide Line for Action 1970," recommended that "the need for local government reform be recognized and that the basic system of local government in Ontario be a two-tier one, with the county or region as the second tier and the city, borough, township or village as the first tier."

Since becoming minister I am more convinced than ever that we must work to bring relevance and strength back to our local governments. A major programme to this end, of course, is the development of regional governments.

This programme is necessary to maintain the relevance of local government to people and their local needs, and it is also essential to the successful application of more rational provincial-municipal financial relationships.

These relationships must assure provincial and local taxpayers that economies of scale can be achieved in the provision of local services that are heavily supported by the provincial Treasury.

Perhaps most important, there must be local structures of government that can relate to new communities and the problems of rapid urbanization over a wide area. Because public funds are limited, these new local governments must be in a position to recognize the limits of their resources and to set priorities within those limits for their regions. The present fragmented structure is really not capable of this.

We are currently studying new forms of local government in Sudbury and Waterloo. I made the initial proposals in March and asked for responses from the municipalities and the residents involved. Since that period we have had a very gratifying response from both areas and I expect that more submissions will be received in the near future.

In its barest outline, regional government is a system of local government, not a set of policies. It is local people working under a new system to establish policies that will answer many of the questions now referred to my department.

One thing I think most people in Waterloo and Sudbury are agreed upon is that annexations or the status quo are not the answer to the problems facing their areas.

Having said this I want to emphasize that in developing the new structures we must be aware of the experience and practice in those regional governments already established.

My staff is in close consultation with the officials in Ottawa-Carleton, Muskoka, York and Niagara. In the review of these new regional governments we must determine those problems that are provincial government responsibilities and those which are clearly matters properly to be resolved by local government.

My staff have been busy reviewing the problems facing the Niagara region. The city of St. Catharines put forward the view that it considered certain inequities were emerging in the operation of the regional municipality of Niagara.

At the same time, the city circulated a resolution to the province and all municipalities requesting the withholding of the implementation of regional governments.

While the staff members working on the Niagara question have not completed their review, as a vital part of it they have had meetings with most of the municipalities, and the St. Catharines representatives approached these meetings in a very responsive, positive and helpful way.

In these circumstances, I want to emphasize that while the review of the established regional governments is continuing, we are not suspending our activity in the Sudbury and Waterloo areas. The evidence is unmistakable that new forms of local government, new approaches to local decision-making, are required to effectively deal with local problems.

My department will continue to work with the local representatives and residents to work out the details of suitable and necessary changes in local government in those areas. The present local governments in Sudbury and Waterloo cannot respond adequately to the insistent and urgent developmental pressures. We have to work with them to find new solutions.

The experience gained in other areas in which new political structures are operating has and will continue to aid us in designing new regional governments. But each area is unique and we must work toward solutions that are appropriate for that particular area. Because of this I see no useful purpose being served by holding up urgent reforms in some areas until other areas declare success. Surely this is a static and unrealistic approach to a situation that is anything but static.

Certainly, in a programme as complex as local government reform and one in which the provincial government recognizes the need for local commitment to it, the progress is not always going to be at an even pace.

No new initiatives have been taken in the Peel-Halton area since my predecessor announced in March, 1970, that the government was not proceeding to legislation at that time. The government to this date has not seen a sufficient meeting of minds on the Steele report or the Plunkett report or its own proposals on the specific shape and form that local government should take there in the future.

Certainly the government recognizes the need for reform, and as the Toronto-centred region concept is refined, I am confident that the need for strong local government in the area will be reaffirmed and new initiatives for reform will be taken.

After the serious effort of many local leaders and residents, the study of local government reform in the Oshawa area has come to a standstill. This means simply that we shall have to renew our efforts to define and structure local responsibility so that important area decision-making can be achieved. I have written to the executive administrator

of the Oshawa Area Planning and Development Study, and through him to all municipalities and other interested parties in the area, asking them to give me their considered views as to the future of local government in the area east of Toronto.

I have given a brief progress report of our regional government programme, and I want to stress that we have an equal interest in those new regional governments that are now operating.

Turning to the matter of fiscal relationships, these of course are important, but I hope they are not viewed as an end in themselves but rather as a useful tool to help us to solve problems facing local government.

Mr. Chairman, in its municipal tax reform programme the government has two main objectives. The first is to reduce the use of real property tax as compared with other tax sources. The second is to secure an equitable distribution of the real property tax among various classes of taxpayers. Implementation of these policies began in 1968 with the introduction of the residential property tax reduction programme. Since then, a number of other measures have been introduced to give selective relief to taxpayers upon whom property tax bears heavily. I would refer particularly to the farm tax reduction programme and to the property tax relief paid to elderly persons in receipt of guaranteed income supplement.

The government has also broadened the property tax base by abolishing the exemption of mineral processing facilities and by permitting the limited taxation of university property. As announced by the provincial Treasurer in his recent budget, the government intends to continue this process, extending this programme to community colleges and by making payments of grants in lieu of taxes on provincial parks. Such measures are designed to fit into the general direction of the government's programme of reforming the systems of property taxation and transfer payments.

Mr. Chairman, it must be conceded that no meaningful reform of property taxation can be completed until all property in the Province of Ontario has been reassessed on a uniform and consistent basis. As you know, the province assumed the responsibility for this some 18 months ago, and I anticipate that all properties in the province will be reassessed on the basis of market value within the next two or three years.

While the process of reassessment is taking place, its impact on the real property taxpayer is being closely studied. It has been repeatedly stated that it is not the government's intention to increase the burden of property taxation to the residential and farm taxpayers by transferring taxes from other classes of property.

Therefore it is necessary to design a system of taxation which will establish and maintain a consistent, equitable and acceptable distribution of property taxes between the classes of property which have traditionally been assessed and taxed at different levels. Research has so far shown that there are four such classes; manufacturing, commercial, residential and farming.

The government's intention to prevent a shift of taxation to residential properties does not mean that there will be no increases for some taxpayers in this category. The Ontario committee on taxation in its report showed that there was a wide variation in the assessment of residential property as compared with market value. The conclusion of the committee is inescapable, and it is clear that some residential property owners have been paying less than their fair share of local taxes while others have been paying more. Where there are adjustments to be made in the distribution of property taxes, the government will, of course, provide for a reasonable transitional period to avoid abrupt imposition of increases.

Another and possibly a more critical area regarding municipal taxation is the future expenditure pattern of our municipalities. There is no doubt that in the next decade the increased cost pressures are going to fall on those services provided by the municipalities. In this difficult area we are hopeful that research will help to provide useful solutions to the difficulties we face.

The Province of Ontario, in partnership with the city of Toronto, recently completed a feasibility study on the use of mathematical models and computers to project the probable effect of civic expenditures in advance, and to determine the performance in comparison with predetermined standards and norms.

This technique of simulating alternative procedures and probable results is widely used in business and is regarded as a valuable aid to decision making concerning the future course of events. As a result of the feasibility study, it has been decided that such a project is necessary to our understanding of the financial future of our cities and

we are proceeding with the refinements of our models and programmes.

As I indicated earlier, it is the government's policy to reduce the impact of the property tax, and in order to do so it must continue to increase transfer payments to municipalities. This will be done by a greater use of unconditional transfer payments, although there will continue to be a role for specific grants to municipalities for particular projects or in those cases where provincial programmes and priorities are involved.

Mr. Chairman, in conclusion of the opening remarks I shall look forward to the views of the critics of the other parties, and indeed to the views of all members of this House during the course of the estimates. As a minister it has always been my policy to assist members of the Legislature in carrying out their responsibilities, and this is being applied now in this department as in the past. I shall attempt to do my best to provide whatever additional information, as to the programmes and budgets of the department, the members may require.

Mr. Chairman: The member for Waterloo North.

Mr. E. R. Good (Waterloo North): Mr. Chairman, we are once again starting to deal with the estimates of The Department of Municipal Affairs for the current year, and I would suggest that the actions and the inactions of this department affect the daily lives of the people in the province perhaps more than those of any other department.

We must all surely agree that the tremendous growth in the Province of Ontario has brought numerous problems. Much has been written and much research has been done to work out the best solution to the problems of growth which now face our province. I would like to quote briefly from the report "Urban Canada—Problems and Prospects," by Dr. Harvey Lithwick, who at the present time is assembling a secretariate for the Secretary of State for Urban Affairs for the federal government, and he says:

Programmes were implemented one at a time to deal with single problems. It is now apparent however that policy makers must realize there are many forces at work in an urban complex, and especially in an urban complex such as Toronto, so that a single policy to deal with a single problem is not the answer to our future solution to these problems.

It is quite apparent, Mr. Chairman, that in the past four years, when the burden of change has been most serious here in the Province of Ontario, that individual policies by this government have been aimed precisely at alleviating individual situations and nothing more. This I feel can no longer be justified in the light of the complexities of 1970.

Dr. Lithwick goes on to warn that if action is not taken now, by the year 2000, over 50 per cent of the people in Canada will live in three large metropolitan areas—Montreal, Toronto and Vancouver.

The idea of stopping growth, of course, is unacceptable. To begin with, many people, for economic and cultural reasons, are attracted to large cities and it is here that they exercise their individual choice, but we must now grapple with the tremendous decision that governments must intervene to manage growth patterns across our country, and especially in the Province of Ontario, where growth is so apparent. It is the managing of this growth which will be the real challenge to the government that leads this province through the next 10 years.

Many people are of the opinion that to effectively make policy decisions for the management of growth in urban complexes, officials of the municipalities, the province and the federal government must have as their objective a common goal which, through mutual co-operation, will have a much better chance of success. If the change in policy making is to be successful and the growth patterns of Ontario are to be properly managed, then discussion among all three levels of government is essential.

The constitutional arguments of jurisdiction must be solved, in my view, so that the financial resources of the top level of government may be implemented to solve some of the pressing problems of the city. The problems of transportation, pollution control, and housing are three of the major ones in this category.

Let me say at this point that in pollution control problems alone, it is impossible for many of the small municipalities to properly manage their pollution control problems by the installation of sewer and water facilities under the present policies of this government, as they apply to small municipalities. I documented in this House, some few weeks ago, that it was costing people, in a small community in my area, \$308 to get the same services which people are getting in established communities for anywhere from \$40 to \$80.

We are never going to get sewer and water facilities into the smaller municipalities of this province under existing proposals and existing programmes of the government.

I feel, Mr. Chairman, that the infusion of co-operation and moneys from all three levels of government into the municipality, should not mean that the municipality will lose its right to self-determination completely. I do feel that local autonomy must be brought back so that elected officials at the local level may, within the proper guidelines as set out by the province and federal government, develop our municipalities as they see fit.

The demand for services at the local level has always exceeded the abilities of the municipality to provide them. This, of course, is due to the financial restrictions placed on the municipality by our present inadequate tax base. Experience in recent years has shown that the establishment of regional government in no way eliminates this problem.

They still lack the financial resources to meet present obligations, let alone assume any additional function, and if the regional government cannot assume any additional function, what has the purpose of it been? It was not brought into creation only to maintain the present standard of living and the present quality of life, but to add to it for the use and betterment of the people within its facilities; otherwise there is really no purpose in its being.

There are, of course, only two solutions. The first is the transfer of the responsibility for certain functions from the municipality to the province. The second, and more acceptable, is the infusion of additional funds into the municipal government. The takeover by the province of certain functions—such as the administration of justice, the assessment and in some areas, policing—leaves the local municipality with a sense of frustration which would no longer exist if larger financial transfers or a large tax base were established so that the municipality could carry on these functions under its own jurisdiction.

I realize, of course, that a more sophisticated and a larger unit of government is required to deal properly with such matters as assessment and policing. We, in the Liberal Party, have always argued that the assessment function should not have been taken over by the province. We feel that for less money the assessment of the province could have been upgraded in those areas where the need did exist. I cannot accept the argument that larger municipalities which had already

taken over the assessment function were not, in fact, carrying on properly.

In my own area, as an example, I consider it a waste of money that the assessors are now going around remeasuring every building in the city of Waterloo. I checked personally with the assessor at my own residence and found that he is not rechecking the assessment on my house but actually re-assessing it as though an original assessment has never been made.

The assessment existing within many large municipalities has been built up over years of measuring and remeasuring. Now, on a reassessment basis across the province we have the assessors going out and pretending such measurements had never been made in the first place. My submission is, respectfully, that there is more chance of error in your assessment on a one-shot basis than there was in an assessment system that had been built up over many years.

The estimates for the provincial assessment programme show a proposed expenditure for 1971-1972 of almost \$33 million, or about \$4 per capita across the province. When checking with several municipalities I find that the cost per capita when assessment was done by the municipality was somewhere in the neighbourhood of \$2 per capita.

I am not talking about the assessment that was done from the corner of a kitchen cabinet in some farmer's home when it was done on a part-time basis. I am talking about the cost of sophisticated assessment in many of our cities across the province. This was in areas where, in my view, assessment had been properly done and a high degree of efficiency had been attained.

Last year I asked the minister regarding one area of what I considered waste. That was the moving of our local Waterloo county assessment office to the city of Galt. At that time I stated I understood the long-distance telephone charges alone were over \$1,000 a month because the office is not in the most densely populated area.

The minister was good enough to supply me with the information on that particular matter. True, the charges at that time were only \$600 a month, but the last month for which I had figures was September, 1970, and the assessment notices were not sent out until October.

I am sure the number of calls from the Kitchener-Waterloo area increased tremendously after the assessment notices were sent.

In fact, 93.4 per cent of the calls received in the Galt office originated in and around the Kitchener-Waterloo area.

I would be the first to admit, Mr. Chairman, that I am sure there were many areas of the province in which the assessment function was not being carried out properly. But an infusion of funds from the province to the local municipality, and better supervision by the then district offices, could have corrected this situation much more easily than the extravagant exercise of having the province take over the complete assessment.

The director of the assessment branch has stated that the fear that the new system of assessment would shift the burden of taxation to householders from commercial properties, is unfounded. I find this very difficult to believe. Either the director has been misquoted or he is not as well informed as are members of this House.

Mr. Chairman, I would like to ask the minister if this has meant that the study of assessment shift to residential property which was proposed by the former minister last fall in the Mississauga and York regions has been called off?

I have documented in previous speeches in this House shifts of assessment that occurred when market value assessments had been completed in numerous municipalities across the province.

It was not until last fall that the former Minister of Municipal Affairs finally admitted that such shifts did exist in fact, and he was instituting a study to see what could be done about it. Somewhere there is a conflict between what the director has recently said and what was known to be a fact as recently as last fall.

We on this side in the Liberal party protest the erosion of local power and autonomy as an alternative to tax reform. There must either be a broadening of the tax base for local revenue or large infusions of unconditional grants into local municipalities. The new regional governments have found that The Regional Municipal Grants Act has not been the solution to their problems either. And this is well documented by the problems now existing in the Niagara region. The minister is well aware of these, and made reference to them. I would hope that he would move swiftly to amend The Regional Municipal Grants Act so that there can be fewer inequities across the new regions as they are proposed and developed in the province.

Since there are close to 100 different forms of grants available to municipalities—some extremely small and others quite large—one can only judge that the administrative costs involved, at both the local and provincial level, for the processing and approval of applications for these grants must be staggering. Municipalities are forced to have false priorities in various programmes because of the provincial grants structures involved. They are naturally attracted to programmes which have large provincial grants. As an example, county health units have lowered the cost of health services to the municipality but the overall cost, including the province's portion, has increased in most instances.

A system of unconditional grants for many of these programmes would have many advantages. Administrative costs at both levels would be greatly reduced. True priorities for local spending would lie in the hands of the elected officials and their decisions would not be influenced by provincial grant scales. The accounting procedures would be simplified. Presently, I am sure, auditors from numerous government agencies are in the municipality almost constantly attesting to the accuracy of grant claims. They cover much of the same ground as the local auditor has conducted in his examination.

Up to the present time, Mr. Chairman, there is really little or no real tax reform in the Province of Ontario. The municipalities are still collecting as much money for education as they do for other services. The credit of the municipality must still be pledged for the installation of sewer and water works. In the final analysis, the part over which the municipal councils have control is in fact very little. We must move more quickly towards the position where a property is taxed for those services which relate to it and very little else.

No municipality is properly serving its people without a good system of roads and traffic arteries. The provincial government has contributed 50 per cent towards the construction and maintenance of this type of transportation facility. Equally important, at the municipal level, is a good public transportation system. It is almost unbelievable, Mr. Chairman, that no municipality has received a provincial grant for the maintenance or establishment of a public transportation system. There is, of course, the one exception, the road bed of the Toronto subway system.

Municipality after municipality is required to subsidize a very inadequate bus or trolley

system simply because the province has dragged its feet so badly in this area. The dramatic and political announcement of the Premier (Mr. Davis) last week, concerning Spadina, in no way makes up for the years of neglect and shabby treatment for the citizens of Ontario who have tried to establish decent public transportation systems within their own municipalities.

I have no illusions that the automobile will be eliminated from our city centres; that provincial grants for municipal transit is a sound, economic move, one which most of us have been talking about for years. To illustrate my point, it is interesting to note that the province financed \$30 million of the \$40 million Conestoga Expressway around the "twin cities" in my area and pumped \$500,000 into the city of Kitchener and a lesser amount into the city of Waterloo for road maintenance and construction. But the public utilities commission in our area could not get five cents' worth of help to extend as much trolley service or bus service to better serve the citizens of our community.

Mr. R. F. Ruston (Essex-Kent): Shame.

Mr. Good: Let us hope, Mr. Chairman, that the Minister of Municipal Affairs will take an active role in the new programmes and proposals of policy that this government will bring down toward assistance for public transportation purposes.

There are many other areas of concern that can be dealt with during the course of these estimates. The matter of taxation on trailers is one. The present licensing system is far from adequate, both from the standpoint of the municipality and from that of the people occupying the trailers, who are disenfranchised to a great extent in that they can vote only for municipal councils.

This problem has been before the government for over two years in the forms of briefs and exercises from the people concerned, and nothing has been done. Many people across the province are buying lots, which they later find they cannot build on. Something must be done to correct this situation. No doubt these lots are carry-overs from days when subdivision control did not exist in that particular area. But regardless of how the lots are subdivided, it is unfair that an unsuspecting purchaser finds that he cannot receive a building permit after he has bought the property.

Instances of which I am aware—and these are in the Proton township area near Flesh-

erton, up in the Blue Mountain area—require that huge sums of money must be spent in one instance to bring in hydro, to fill in lots, to supply proper drainage facilities, installation of field beds and septic tanks. In other instances, there is no way in which a building permit can be had on lots which were sold as recently as last summer.

While I think our legislation of this session has plugged the loopholes regarding present subdivisions, I would strongly urge the minister to take the necessary action to require that sellers of any lots notify the purchaser in writing as to the availability of a building permit.

We will have an opportunity to discuss regional government later in the estimates, and I devoted considerable time to it in my Throne Speech, but presently I would like to say this: It is abundantly clear that the government proposal for regional government in my own area leaves a lot to be desired. Municipalities are asking such simple questions as, "What will be the advantages for my municipality in this proposal? What will be the approximate total administration cost for the region for the whole two-tiered system as against the total administrative costs of our present system? How will our area be affected by the Municipal Regional Grants Act?" And these, Mr. Speaker, are questions that are not being answered to the satisfaction of the local municipalities.

My own endeavours to get involved in this situation were properly squashed by the minister in his reply to my letter when I asked him:

I am wondering if it is your intention to invite the three members of the Legislature from Waterloo county to the meetings between yourself or members of your department, and the intermunicipal committee, who will be doing most of the negotiations on the setup?

In part, his reply is:

In reply to your question about inviting the three members of the Legislature from Waterloo county to the meetings between this department and the intermunicipal committee, I have not considered this and am not sure that any useful purpose would be served by it.

This is unbelievable, that the members from the area—

Mr. D. M. Deacon (York Centre): Would not be able to serve a useful purpose.

Mr. Good: —would not serve any useful purpose by sitting in on the dialogue between the intermunicipal committee and members of The Department of Municipal Affairs.

Mr. J. P. Spence (Kent): Who said that?

Mr. Good: This is signed "Yours very truly, Dalton Bales, Minister, Department of Municipal Affairs."

Mr. Ruston: Shame.

Mr. W. Ferrier (Cochrane South): Just overlook any member if he is not a Tory.

Mr. Good: Well, I was being gracious about it, and included our Tory member from the southern part of the county.

Mr. A. E. Reuter (Waterloo South): I will represent you.

Mr. Good: You will represent me? Well, I am not sure that the hon. member will represent me in the manner in which I would like to be represented.

Mr. Deacon: No matter what his good intentions are.

Mr. Good: Many of the problems of today are directly related to the neglect of this government in its planning responsibility of years gone by. Over a year has elapsed since the Toronto-centered region plan was unveiled, and what has been accomplished? While The Department of Municipal Affairs research branch and the department of regional development in the Treasury branch decide who has the ultimate responsibility for planning, we find that the decisions of industry still greatly influence the development in the province, and the Ontario Municipal Board goes merrily on its way making planning decisions on an ad hoc basis, while the government apparently is at a loss to know how to implement its policies.

At this point I would like to say a word regarding Century City, that huge development northeast of the city of Toronto that started out with such fanfare and flurry. I understand five ministers of the provincial government sat in with the developers on the original planning of it; now, some two years later, what do we find up there? We find complete chaos. Mortgages are being defaulted; people who left their farms in good faith find that they cannot get any further payments on them; unoccupied buildings are falling to ruin; properties being taken over for taxes have left the municipalities with a very shrunken tax base. Something has got to

be done in that area: Either hand it back to the people and let them salvage what they can, or a decision of some sort has to be made.

At the outset of the plans for Century City, my understanding is that they even wanted to set it up as an improvement district so the councils in the surrounding areas would have no jurisdiction or say over what went on within the area. This idea was then dropped, thank goodness.

But now we have a worse mess. We have these conditions existing; the local people are so frustrated they do not know what is happening. I would invite the minister to go up and look after the mess that is up there. I think the same thing should apply there as I suggested about the 3,000 acres that OHC developed in my area: give it back to the people; it is the best thing that could happen.

These are many of the problems facing our province today; others will be dealt with in more detail as we get into the estimates. But I would like to say that I feel we need bold, new action in the province. Within the near future we must have a broad provincial plan, in which and through which the municipalities can co-operate. I hope we are not too late to grapple with these problems, but it is apparent that action is needed immediately so that our province can develop in a more orderly manner and provide the quality of life which the citizens of Ontario really deserve.

Mr. Chairman: The member for Wentworth.

Mr. H. Worton (Wellington South): How is the desk?

Mr. Ruston: Watch the desk!

Mr. I. Deans (Wentworth): Thank you, Mr. Chairman, I will need earplugs here pretty soon.

Mr. Ruston: It is the member's rooting section there.

Mr. Deans: Mr. Chairman, I am going to keep my remarks brief this morning. I want to deal with three main problems as I see them. I am not going to deal with the intricacies of the department during the leadoff, but rather deal with those things during the discussion of the individual votes.

I want to say that when the minister took over I was pleased. As he knows, I was never entirely happy with him as a Minister

of Labour. I put some of that down perhaps to lack of actual participation in the labour relations field; I think though that he is much better suited to the portfolio he is in.

My understanding is that he has a wide experience in the area of municipal affairs and municipal government. I hope that he brings into this portfolio a new breath of life that is desperately needed in this particular department at this time.

I have always felt that the department itself was very good. I felt that within the department there were very well qualified people who were capable of making very important decisions that would affect the future growth of the Province of Ontario.

I think that most of the departments—most of the internal departments of The Department of Municipal Affairs—given their head could come up with some rather innovative programmes that would in many ways meet the needs of the major metropolitan areas, and perhaps be able, given the opportunity, to plan adequately for future development in areas that have not yet been developed.

I think the stumbling block has always been at the level of cabinet and at the ministerial level. I feel to a great extent the department has been held back by ministers and by the cabinet not being nearly progressive enough and not being nearly daring enough in their approach to the changes that must take place.

It must be difficult for the minister to take over and then to find his predecessor going around the province knocking, as it were, the abilities of local government leaders; pointing out that there is a dearth of good local government talent and that he is not entirely happy—in fact they are not happy at all—with the way in which they have developed.

I would have hoped that having abdicated or been moved from the portfolio, he would have the good sense to pay particular attention to his own matters and leave municipal affairs to people who were in that particular field at that particular time.

I want to deal with three basic problems. I want to deal with finance, with regional government and with land use. I plan to try to separate them so that we can, in an answer, talk about them as individual problems. I recognize very clearly that they are interrelated, but I think that they can be dealt with separately at least during the

estimates which are the subject of this debate.

I want first to talk about the reassessment programme. To begin with, I do not think anyone in this House denies that the time had come to reassess properties in the Province of Ontario and I think that what the government has done, notwithstanding the statements of the Liberal critic, is probably going to prove to be very useful, provided it is properly applied.

On October 6, 1970, the former Premier (Mr. Roberts) said quite clearly that it was not inconceivable that within five years, the government would turn back to the municipalities the assessment functions. He said this in a speech in Windsor and if the minister is puzzled by it, the article appears in the *Globe and Mail*. There is also the text of his remarks.

The headline read: "Roberts Offers to Put Assessment Back in the Hands of Municipalities When Five-year Plan is Completed." One of those years has now passed and we can assume that we are now within four years of this being done and I urge upon the minister that it not be done. I urge upon the minister that it not be done. It might well have been acceptable had you not taken it out of the hands of the municipalities, but once having done it, keep it and operate it in an overall way so that we do have some relationship between property all across the province.

I think that the Prime Minister at that particular point was yielding to political pressures of that day. I suspect in five years that the political pressures of that particular day will have gone by the board and there will not likely be any return of assessment to municipalities.

Nevertheless, I want to say that in the Province of Ontario we have relied to far too great an extent on real property as a means of raising taxes. The relationship between the market value of a piece of property and the income of the person who owns it in many instances is obscure.

I say to you that I fail to see how we can have a progressive tax system if we are going to rely on something called "the market value" of a piece of property which, at that particular time, is not for sale and which is, in many instances, the entire holdings of one individual and which is not, in a great number of instances which I will relate to you, in any way related to the person's ability to pay or his ability to earn. Property tax is re-

gressive. It is perhaps one of the most, if not the most, regressive tax available to government.

How does one equate the property tax structure and the amount of tax levied with the situation that arises on the day when a person retires, for example? How do you determine that, when over the years, property tax at perhaps a \$400 per year level was paid by a person earning \$8,000 a year and suddenly upon age 65, their earnings are cut in half or perhaps even less? The tax then becomes considerably more proportionately, in terms of their income, and it then becomes an increasing burden.

I feel, as I have often felt and long felt, that we cannot continue to rely on property tax as the major source of revenue from municipalities, the major independent source of revenue from municipalities. All you have to do is to take a look at the many factors involved, the many instances that can arise, to see the inequity of the tax structure.

What happens if someone becomes widowed? The taxes remain the same but their income diminishes considerably in most instances, and we find that the burden which they have to bear is unbearable. They end up having to sell the property, in many instances not getting what it is worth. Even if they get what it is worth they must then use the money to live during the remainder of their lives, and they are in a situation where the tax itself, the \$400 or \$500 that they pay in tax is the difference between being able to survive at a reasonable standard and not being able to survive at all.

I say to the minister that before applying reassessment across this province, a complete restructuring of the tax system has to take place. Before applying the actual doing of the reassessment itself, for all of the difficulties that it causes, for all of the heartaches and concerns that people feel about having a man wandering around their property, measuring it up and peeking in corners and trying to determine what it is that they have there in terms of market value, all of those things are aggravations, but the application of the reassessment is the most important thing. If you do not restructure the tax system in such a way as to reduce considerably the reliance on property tax by municipalities, before you apply the reassessment, you are going to find that the tax shifts that will take place and the increases that will be forced upon many people will be unbearable.

I say this to you because I happen to believe that we look upon property in an en-

tirely wrong way. I do not think that property, during the time that you are paying for it, is much of an asset. In fact, during the period in which the mortgage is being amortized, we find that it is more of a liability than an asset, that the costs of maintaining property—the costs of keeping it up to date and up to standard—are considerable. If you spend the money to maintain your property, if you spend the money to improve it, up go your taxes. I think that this is wrong, drastically wrong.

Let us take an example. You can find two people each earning the same amount of income. Let us for the want of a better figure, choose \$7,000. One of those people might decide not to drink beer, to drive an old car, and not to go on vacation, but to put a pool in his backyard, while the other may decide to travel the Caribbean, to go through Europe, to drive a new Cadillac, if he could afford it, or to spend \$20 a week on booze. Why should the person who is industrious and who wants to put his money into something that he can enjoy equally as well as the other person enjoys all of the other luxuries, be taxed in addition to the basic property tax? Why should there not be an allowance, an expense allowance on a yearly basis, whereby a person can in any given year spend a certain percentage of his income on property improvement without increasing the tax? Why cannot we establish that a man might be able to spend up to \$1,500 a year in improvements to his property without having to pay, or having to be reassessed, and having to pay an additional tax?

I agree that, if someone builds and doubles the size of his house for whatever reason, then obviously he is going to pay a little more, because he requires more service for a house of that size. He will be using it for multiple family dwelling, or maybe he is using it as a rooming house, or those things. But what possible difference can it make if a person decides with his own labour to go and buy eight-by-four sheets of mahogany plywood and go into his basement and spend his whole winter boring holes and hammering studs and putting up wallboard, while his friend buys a Ski-Doo and travels the north and spends the equivalent amount of money doing that?

Why should his property tax from that day on be increased? Why should he pay more every single year for as long as he lives in that house, which could well be for an entire lifetime, because he chose to spend his money doing something that he enjoys in his

own house, rather than to spend his money out in the recreational field. I think there is some inequity in this. I feel that what we are going to find is, as the reassessment is applied, unless these refinements are made, the government is going to have an uprising. It is going to have an uprising among the people. They are not going to tolerate it. They are not going to accept the fact that their hard work and their sacrifice is going to mean additional tax. They are not going to accept it.

Why should a collapsible pool under the new assessment method be taxable, I ask you? Why should I, if I go out, and, rather than take a Florida vacation in the wintertime, decide to spend the equivalent amount of money purchasing a collapsible swimming pool for my children, have to pay more tax? It is not a permanent fixture to begin with. That is point one. Secondly, it is obvious that surely there has to be some discretion in the way in which I spend my money. Surely, there has to be some discretion in the way in which all of the other taxpayers spend their money. I do not agree that market value in itself is a meaningful statement, because it may be decided by some person looking, that the house is now worth a little more. It is worth a little more only in relation to all of the other properties and it is worth a little more, because I spent money that I earned making it worth a little more.

If it were said that I would have to pay tax on the material to do the job, okay. Just the same as the man pays taxes on his Ski-Doo or his mini-cycle or his boat or whatever it is that he purchases with the money that he chooses to spend in that way. If it were said that I would have to pay an equivalent amount of tax on those materials in order that I contribute in a similar way, *c'est bon*. That we could discuss. That is the kind of thing that can be discussed and sorted out, but I do not think that you could be burdening the people of this province with additional costs because they happen to be, perhaps, a little frugal, perhaps have interests a little different from others and perhaps they are more interested in developing their particular property than they are in purchasing commodities which, in the end result, are rather useless anyway.

In talking about the reassessment and the tax structure, the citizens of the province are very concerned. They see young people coming around measuring their property. They do not know exactly what it is they are looking for. They fear that inevitably

it will result in higher cost to them. And there has been little, if anything done by the department to allay these fears. Little, if anything. I say to you, that there was not nearly enough preparation done. It should be pointed out to the citizens to begin with that the reassessment in itself does nothing. It should have been, as I said before, refined considerably before it began, and that the reassessment is simply a tool of determining how the new tax structure will be set up.

I cannot honestly tell my constituents that. I cannot tell the people who write to me from across the province that in actual fact when the reassessment is applied it will not result in additional costs, because my guess is that it will result in additional costs. My guess is that by the year 1974 or 1975, when we get around to using the reassessment, it will result in considerable changes and no consideration will have been given to the reason why those changes took place.

I think, in closing out the reassessment problem, we have to take a look at whether or not we in the Province of Ontario are prepared to determine what percentage of total municipal revenue will be raised by way of property tax. I think we have to find other taxing methods notwithstanding the problems of the relationship between the federal and provincial governments in terms of using income tax. I think we have to find other taxing methods notwithstanding the problems of the relationship between the federal and provincial governments in terms of using income tax. I think we have to find another, more progressive, based on the income method of raising the money necessary to finance municipalities. This should be made available to them in an unconditional way.

We have come to the point in our dealings with municipalities where we can no longer continue with the conditional grants. I recognize that the government is moving, ever so slowly, toward a greater degree of unconditional grants. I think the municipal autonomy that is so often spoken about in this House can only be effective if the municipality receives the money from whatever source, and is permitted to spend it on the things which it believes are important. I think you begin there.

The whole matter of municipal autonomy is based almost entirely on financing. If the municipalities are given, by way of per capita or any other formula, a grant on an

unconditional basis, they will feel that they have autonomy, provided they are then permitted to spend the money to meet the needs that they see. Otherwise, we might as well operate the whole thing from Queen's Park.

Mr. R. Haggerty (Welland South): They do that now.

Mr. Deans: I say that if you would make some rather strong explicit statements showing (a) what is happening in reassessment; (b) what kinds of changes you propose to make in order to ensure that an unfair burden is not placed on people who have invested in their property rather than wasted their money; (c) if you were to make clear that upon reassessing there would be a considerably reduced emphasis placed on property tax and that, in fact, it might not account for any more than 50 per cent in the first instance of what it presently accounts for and that the remainder would be raised by way of income; (d) if you would make it clear that municipalities would be given the money unconditionally to spend in the way in which they happen to feel is necessary; then you would have accomplished a lot toward reducing the regressive nature of property tax and ensuring municipal autonomy, if this is what you want to do.

I suggest to the minister that he give consideration to these things, because municipal autonomy becomes simply a word if you rely upon someone else to provide you with the money conditional upon certain factors being met.

I also want to say to the minister in the area of finance, as I did last year—although it was not this same minister—that we do not make nearly enough use of the Province of Ontario in terms of capital borrowing. I happen to think that the more people there are in the borrowing market, the greater the fight for money and the higher the interest rates. We are going to have to reduce the numbers of people buying in the money market. This can be done by the province establishing a fund—and there is already a fund but it is not used for these purposes, not in larger metropolitan areas. This can be done by the province establishing a fund and doing the borrowing on behalf of the entire province. It is easier and cheaper. It provides us with moneys that can be made available directly with whatever prerequisites are required; it also reduces the costs to municipalities.

It also eliminates a great many people from the market. It would inevitably reduce the interest rates. I hope that the minister will consider expanding the existing municipal aid fund to cover that particular problem, and try to get municipalities out of the money borrowing field. I think it is rather important.

In terms of what has happened within the department, I refer you to a statement made by the former Premier, who is not with us today. He made the statement on October 6, 1970, which is not a long time ago. He made it in the House and he said:

You will recall that two years ago the government of Ontario embarked on a major long-term programme to reform the provincial system of taxation. To assist the individual taxpayer we have three principal objectives.

1. To reduce the burden and regressive nature of real property tax;

I suggest to you that with only a few exceptions this has not been done.

2. To broaden the base of real property tax;

Again, with very few exceptions, this has not been done.

3. To ensure that the burden of local taxation is reasonable when combined with the total taxes being carried by the taxpayer.

I fear that this has not been done because I think that the programmes you have brought in have, in fact, been piecemeal. They have been brought in in haste; have been brought in to meet a political need rather than to meet a social need. I object to that.

I do not think you can run a government that way. I do not think you can run a province like Ontario in that way. I want to say that when you take a look at the programmes that have been brought in by this government to establish a residential property tax reduction programme, it would have been much better to reduce property tax by way of a change in the grant structure.

It would have been much more acceptable to municipalities and would have provided municipalities with a greater degree of self-reliance and autonomy. What we have done here, in actual fact, in this kind of handout programme that we have developed, it is simply a political game that you are playing. The cost of handing out the money, by sending it to the individual taxpayer, surely is much higher than by apportioning it to the municipality for their use. It must be. It has to cost more to assess what each individual taxpayer must get than to apportion it to the municipality.

I want to say to you that I agree with the transferral of the cost of the administration of justice to the province from the municipalities. I think that was a good move and, in itself, was a helpful move. The transferring of the cost of assessment to the province from municipalities, of course, went hand in hand with the transferral of the assessment itself, and the function.

From what I can understand, the costs have risen considerably since the time that this was done simply because the reassessment is under way. It is hard to judge at this stage whether this particular change, in terms of cost, will be beneficial. That will not be able to be judged until we come to what will be a normal year, until all of the reassessment has been completed, and I do not intend to make any reference to it.

Regarding the increased proportion of school expenses that is met from provincial grants—again, the whole matter of education does not come into this department, but the whole matter of educational financing requires a complete overhaul. It is not nearly enough to say we will move over a 10-year period or a five-year period to 60 per cent or 65 per cent. If you, as most of us do here, recognize the cost of education as being a major contributing factor to the spiralling cost of residential property tax, then the government ought to have moved, as we said some time ago, to a position of 80 per cent, and it should have done this over the last four years. Had you begun in 1967 and followed through on that kind of a programme, we would now have reduced considerably the cost of residential property tax; we would have provided great relief, rather than the piecemeal relief you are now providing.

The broadening of the municipal tax base by allowing municipalities to partially tax university properties, is, I suspect, a window dressing. It is like most things: the cost again reflects back on the community, because although the universities are tax-supported, they also are supported out of the community. I think it would have been much better had the province assumed the total cost and then paid a total grant to cover the total cost of what I will call the provincial buildings and functions carried on within any one given municipality.

On the permission of assessment and taxation of smelters in mining municipalities, I think enough has been said about that already. With all of the backtracking and sidestepping that is going on within the government, this has proved—at this point

at least—not to be particularly beneficial. There are a few others, which in themselves, limited the cost to the local taxpayer of establishing new water and sewer facilities and increased subsidies to cities and separated towns for street and road maintenance and construction, both of which are conditional grants and each of which is in effect a piecemeal approach to total municipal finance, even recognizing that it has cost over \$400 million in two years.

The approach is what is wrong; it is simply one of trying to meet each new crisis with another handout. That is not nearly good enough, and I strongly suspect that in spite of all of the protests from the cabinet, there is little going on in the way of meaningful restructuring of the tax system in the Province of Ontario. I think that was fairly obvious by the recent action of the Minister of Revenue (Mr. Winkler).

I think it was reasonably obvious by the action in the elimination of the five per cent machinery tax that the province is going to rely even more and more heavily on the individual taxpayer, whether at the sales tax level, the income tax level or at the realty tax level, and I do not think, from watching what has come out of The Department of Municipal Affairs, from watching what comes out of The Department of Revenue, and from watching the provincial Treasurer in action, that there is any real effort being made by this government to rationalize the tax structure. And I suggest to you that if you do not do this, the municipalities will not be able to meet the commitments which they have already undertaken and the taxpayers in those municipalities will not be able to pay the burdens which you are forcing upon them.

There has been enough said anyway about taxation. I think we all recognize that the tax structure and the financial structure of municipalities is not adequate. I think we recognize that change has to be made. I suspect it is a matter of whether or not you are prepared to hasten the change or whether you are intending to dilly-dally along in some piecemeal way and continue until 10 or 15 years from now when the problem will be so large it will be almost impossible to resolve.

I want to talk to you for a moment about regional government. Regional government has been a bone of contention in this House for a long time. No one doubts for a moment—I do not think anyone doubts for a moment—the validity, at least theoretically, of setting

up larger regions of administration. There are any number of very good reasons why larger regions could and should be set up.

I want to say I do not agree with the minister in his opening statement, that he had to sort out the individual problems of each area and therefore moved along on a day-by-day, introducing-one-at-a-time basis. I think in order to treat all of the people in the province fairly, it was necessary in the first instance to set out the boundaries for regional government right across the province. I have always felt that and I still feel it. Nothing that I can see has changed my mind. I do not think that it is fair or equitable in any sense of the word to establish—

Mr. Deacon: The brains trust will take over and do everything under your scheme. The local people do not know what it will be.

Mr. Deans: You have got to wait until we get it finished. Under whose scheme—his scheme or mine?

Mr. Deacon: Your scheme.

Mr. Deans: Mine. No, I think it was entirely possible. The hon. member for York Centre is being facetious, obviously. I think it was entirely possible for the government of Ontario, before moving into the areas of setting jurisdictional boundaries, to determine with consultation where those boundaries should be and then to establish them right across the province rather than to establish them piecemeal.

Because, when they are established piecemeal, you find it is quite conceivable that a person living one block away can be taxed considerably more heavily for services that he is not getting than a person living one block further over, because one is in a region and one is not. This has happened. And this is a basic problem. You cannot have equity in the tax structure.

Interjection by an hon. member.

Mr. D. C. MacDonald (York South): Maybe they should be on the foundation programme that the Liberal party has repudiated from the outset.

Mr. Deans: This is what we are coming to.

Interjection by an hon. member.

Mr. MacDonald: It is a dazzling, imaginative idea that could not be absorbed over there.

Mr. Lewis: Which of the municipalities are that bad?

Interjections by hon. members.

Mr. Lewis: Have you a list of those you would exclude?

Interjections by hon. members.

Mr. Chairman: The hon. member for Wentworth has the floor.

Mr. Ruston: Have a little order there.

Hon. E. A. Winkler (Minister of Revenue): Do not argue; it is a nice day.

Mr. MacDonald: I think it is a real problem.

Mr. Deans: I am trying to be so careful today. I want to read you a very short but interesting article on regional government that I think pretty well sets out some of the problems that have arisen over the last two or three years—the last year and a half at least. It is in a book called "Politics and Government of Urban Canada," and whether or not the minister has read it I recommend it to him for his nighttime reading.

Mr. Ruston: The policy is to get into power at any price at all.

Interjections by hon. members.

An hon. member: You ought to know what that is all about.

Mr. Deans: On page 285 there is an article, "The Political Dimensions of Regional Government," by Stefan Dupré, and he says:

Regarding the political dimension of regional government, I think there are two preliminary points that should be made at the outset. First of all, what do I mean by regional government? What I mean by regional government for the purpose of this discussion is something as follows: It is a responsible governmental authority to which an appreciable number of important functions are assigned, and whose territorial extent is greater than that of existing local municipalities.

He is pretty standard in his interpretation of what regional government is.

In stipulating this very general definition of regional government, note that I exclude such regional governments as health units and high school districts.

And he goes on to mention them during the course of his remarks.

With a loose, but for my purpose, adequate definition of regional government before you, let me now address myself to the second point: The special problems of dealing with the political dimensions of regional government.

He goes on from there to say:

Permit me now to discuss with you certain aspects of this system particularly relevant to regional government. I shall attempt to do this under the heading of three kinds of politics—the politics of local government boundaries, the politics of conditional grants and the politics of special purpose governments. Where local government matters are concerned any first-year law or political science student can tell you that in legal terms the provincial government is omni-competent.

Mr. Good: What?

Mr. Deans: Omni-competent.

Mr. MacDonald: That is God-like.

Mr. Deans: It goes on:

Given the jurisdiction over municipal institutions conferred upon it by The British North America Act, the jurisdiction reinforced by the principle of parliamentary supremacy, the Legislature of Ontario could decree tomorrow that Toronto be abolished and replaced by a new governmental entity called Greater Moosonee, with boundaries reaching to Hudson Bay, that Greater Moosonee have no jurisdiction over roads but be in charge of mothers' allowances, and that Greater Moosonee levy a sales tax but no property tax.

What he is saying is that the decisions which are conferred upon local governments are decisions made by the Province of Ontario. It is important to remember that, because in spite of all of the things that have gone before, we are entering a new era in which government functions will change drastically in 10 years, and we cannot be bound by what went on previously and by what constituted regional or local or provincial authority. We have to be prepared to make change.

He points out in his book that the sanctity of local government boundaries is more of a consequence in a political process than it is of any historical dominance; that we establish those boundaries politically. They are not there because of any historical rights; boundaries are established politically for whatever reason it is that they have to be established.

I say to the minister that in the establishment of these boundaries here was a certain degree of authority that the Province of Ontario was going to have to exercise and the province has in many instances failed to exercise that simply because of political fears. In the case of the municipality in which I live, there has been a continuous disagreement over what should constitute the boundaries of the municipality. My guess is that the government, because of its inactivity and because it has not made any kind of political judgement, has allowed the situation to deteriorate to such an extent that it may well not be possible to save it at this point.

Surely there is not any change, if when the Steele commission made its report in November, 1969, it was decided by them in consultation with local municipal authorities and those people who were concerned in the whole municipal process that those should be the boundaries. And if they argued—and they did, very strongly—the political and all of the other consequences of changing those boundaries, surely it is a responsibility of the provincial government to come together with the local authorities and attempt to resolve what little differences there are remaining.

There have been statements time after time in this House and out of this House by the previous minister and by people in the department that there was continuous discussion about the boundaries going on with Burlington, Hamilton and the various areas around; this is not so. There was supposed to be a decision made a year ago, in 1970. It was stated in the public press by the then Minister of Municipal Affairs that a decision would be made. It has not been made. The climate is no better or no worse; in fact, it may be a little worse, because now other municipalities are concerned. They no longer are sure of what they once were sure of. If it is permitted to go on another year, I suspect you are going to find that you will have less than half of the municipalities interested in forming a region, and we are going to destroy the total concept of regional government.

My guess is that the government regrets ever having gone into regional government, I want to suggest to the minister some principles that have to be followed. We do not happen to think—and we said it a year ago, we said it 18 months ago—that it is possible to enter into any further regional governments until you have straightened out the mess in the taxation field. We happen to think that before you can establish any larger

or any more regional government areas, that you are going to have to change the tax structure in order to ensure that the money will be available to them to do the things that you give them the power to do.

There are a great many people who have said that the only difference between the present regional government setups and the county councils that previously were established is that you have brought the municipalities into the county councils.

I am not sure that this is true. When you look at the functions that the county councils previously performed, it is reasonable to think that many of those functions are now simply being handed over to the regional government to perform. The county councils always did have difficulty in financing, and the regional government, no matter what you call it, will continue to have the same difficulties because it has no new taxing sources, and because it will inevitably be forced to go to exactly the same people who are paying the burden now.

I want to ask the minister a specific question about the Wentworth region. I want to ask him what actually will happen to the industrial assessment that now accrues to the city of Hamilton which, for a number of years, has reduced the cost of real property to the property owners when applied, which has resulted in the city making greater expenditures because it is reliant upon it, and which has resulted in the providing of services to all areas of the city, bar a few. What happens when the regional government takes over and that assessment then must be spread out to some extent, over the entire region?

Who then takes up the slack, because the difference in the amount of money that will be made available to the total region as opposed to what it previously had will not be a lot per capita. It will not enable them to embark on the kinds of programmes that will be necessary to provide some form of equality throughout the region. But it certainly will be sufficient to raise the taxes of the people in the city of Hamilton. By spreading this already inadequate tax source over a larger area, the government is simply going to increase the cost to the citizens of Hamilton for those things that they have already embarked upon, while, at the same time, not making enough available to do any meaningful things in the remainder of the region.

I want to ask the minister how he intends in the long haul—I do not mean by some

initial grant—but how he intends over the long haul to compensate for that shift when regional government is finally put into force, because that is a question that is being asked on a day-to-day basis. It is one of the major difficulties that confronts the majority of homeowners in their trying to understand what regional government will really mean to them.

Anyhow I say to the minister—and I am not going to go on any longer—that in regional government we do not think the minister should continue to establish regions until after he has made it clear what taxing sources are going to be available and who is going to have to pay the costs. If it is simply going to be by means of another levy on the existing realty tax for property owners, then forget it, because they cannot afford it. If he is going to move by way of an overall taxing policy to establish a more progressive tax, and if he is going to relieve the burden which property taxes are responsible for, then make it clear what changes are going to be made.

Let us not get ourselves into the situation that we now have in Niagara. Let us not find ourselves—and we will talk about it when we get to the point—in the situation that we are now facing in the areas of York. Let us be perfectly clear what it is and tell the people honestly what it is that they will have to carry, what burden they will have to bear, when the minister establishes a region, and what it is that he expects to see happen within that region after it has been established.

I think that is important in any study of regional government, and I do not think that has been done. There has been consultation, but the consultation has taken place mainly among friends. There has been little done to try to bring the remainder of the population into the picture. There has been very little done to try to explain to the people who pay the bill, (a) what the benefits will be, and (b) what the additional cost will be. I think the minister must do this.

I want finally to talk about land use. It is hard to talk in this Legislature about land use, because whenever you do you find that you raise the hackles of the Minister of Agriculture (Mr. Stewart), or you raise the hackles of some other minister of the Crown.

It is of vital importance to the future of this province that an overall land use policy be established. It is of vital importance to the maintenance of the aesthetic qualities of this province that certain areas be set aside

as being untouchable in terms of commercial or an industrial development. It is indeed of vital importance that this province establish that certain areas cannot be used for residential development.

The areas that I talk of are areas like shorelines. At the moment, in the town of Burlington, there is a battle going on as to whether or not there should be established on the shore of Lake Ontario, within the town of Burlington, a park in an area which, at the moment, is commercial, but which is the only area left that is large enough to provide a recreational facility on the shores of the lake.

I do not think there should be an argument in that field. I think it should be firmly established that unless it is absolutely essential that industry have access to water for its continuation that they not be permitted to develop on the shores of the lakes. I think it is vital.

I think that we have to say to begin with that commercial and industrial development will not take place immediately adjacent to the shorelines. If we do not do that, we will find that in a very short period of time industry that makes some use of water, but does not require access to it as an essential factor in its operation, will continue to purchase the entire shoreline. It will be inaccessible to the people of this province within 10 or 15 years and we have more at stake than just the two or three of us who sit around here.

There is more at stake than just us. There are future generations, and surely they are entitled to have access too? I feel that we must establish this policy and before any industry is permitted to locate it must have the express permission of this government. I think that that is important. I think it is important because otherwise we will have nothing left.

I think, in terms of commercial development, similar things must prevail. There are areas in this province—and the Niagara Escarpment is one of them, although there are others; there are inland lakes, smaller lakes—where a great deal of commercial development has taken place and where access to those lakes and access to the escarpment is being denied. We cannot permit this.

I think in the matter of residential development there are areas in this province where it is not fair to future generations for us to allow residential development to take place. We must establish a policy of land use in

this province in order to meet these objections and objectives.

I do not happen to feel, for example, that it will serve this province, or the people who will follow me, any useful purpose to permit the Niagara Peninsula to be eaten up by industrial and commercial and closely formed residential development.

I think, for example, that it might be reasonable and sensible for The Department of Municipal Affairs in consultation with the regional development department to say that we are going to set out a policy that will preserve for future times the escarpment for use as a recreational, as a light—there are certain industries that can be fitted into it because it fits into the total concept of what is happening in the peninsula—but the peninsula should be preserved basically for recreational and farming purposes.

I have said in this House previously that there is not another jurisdiction in the world that would allow such a valuable resource to be desecrated. Every other jurisdiction is proud of the things that it has and it preserves them.

It could be a tourist attraction the likes of which you have never seen. It could provide recreational facilities by using the escarpment; by using the plains; by using the access to the lake. This would enable every person living within 150 miles—and that takes in the major portion of the population of the province—to have access to the kind of recreation they are obviously going to need if, as predictions have it, the sizes of the metropolitan areas in the Province of Ontario will have doubled or tripled by the year 1990.

We have to set about to preserve these things, and what we should do—and I say this to the minister—is that the government has an obligation, perhaps by way of a broad-brush technique, to establish the kinds of development that it wants to see take place in this province. It has, to say that there are certain resources of this province that are untouchable and that will not be permitted to be abused and where development cannot take place. This has to be a policy, and it has to be made clear and adhered to. I suggest that having done that, we will perhaps have taken a much larger step toward preserving the future development of this province than in any of the other areas that I might ever mention.

I ask the minister please to pay particular attention in his portfolio and his job, in the

next few months before his government is defeated, to setting up the structure—

Mr. MacDonald: You got the message?

Mr. Deans: —that can be used to establish the priorities for preservation purposes, and that is important.

Mr. Lewis: They will not be in again—not with a majority government.

Mr. E. W. Martel (Sudbury East): Is the minister coming back?

Mr. MacDonald: Pat is after the Minister of Agriculture.

Mr. Lewis: You have never felt more vulnerable than you have now, my friend, with Pat Chefurka knocking on those farm doors.

Mr. MacDonald: The only thing poorer than the Tories in Middlesex South is the Liberals. They are dead.

Mr. Martel: You will be here; you will be minding the store.

Mr. Deans: Finally, I want to say to the minister—

Mr. Lewis: You have all been reading Harold Greer's assessment of Brant, I can see that.

Mr. Deans: An excellent assessment.

Mr. Martel: You have not got a leader, so it does not matter much. What a motley group he has to lead!

Mr. Chairman: Order.

Mr. Deans: Thank you, Mr. Chairman. I want to finally say to the minister that what I am proposing to him in simple steps is that we have got to relieve—not in some small way but in a major way—the dependency on realty tax; we have to restructure the tax system in order that it be progressive. We have to do this and to make as an integral part of this, the availability of unconditional rather than conditional grants. This in itself will assure at least some degree of autonomy. We have also to draft for the Province of Ontario a master plan of land use in order that we do not lose the access to those things that are so necessary for recreation and leisure time and that we do not lose access to those things which are in themselves a resource—a resource for financial gain, if you wish. And we must not embark upon any further regional government until we have taken the necessary steps in the

way of revamping the tax structure and that we should, if at all possible, explain in much more detail (a) the reassessment programme, which is grossly misunderstood, and (b) take more time to lay out your regional government and then apply it across the province rather than piecemeal. I will deal with the remainder during the estimates. Thank you, Mr. Chairman.

Mr. Chairman: Does the hon. minister wish to respond to some of the comments before we go to the votes?

Hon. Mr. Bales: Mr. Speaker, there have been general comments on the various programmes of the department, and I will deal with them as we proceed with the votes.

On vote 1401:

Mr. Chairman: I will deal with vote 1401, and I believe as is the case with most of the other departments, it would be very difficult to keep the programmes of activity separated in this vote. Is it agreed by the committee that we take the vote in total? Is that agreed?

Mr. Deans: Yes.

Mr. Chairman: Agreed then. Shall vote 1401 carry?

Vote 1401 agreed to:

On vote 1402:

Mr. Chairman: The provincial assessment programme. I think perhaps we can take this in specific items. Is that agreed? Vote 1402. Shall item 1 carry? Carried.

Vote 1402, item 2, assessment education. The hon. member for Waterloo North.

Mr. Good: I presume this is the programme that is required to set up the number of trained assessors required to carry on the programme of reassessment across the province. First of all, when the programme was implemented, I think the figure was thrown out loosely that there would be 600 newly trained assessors required to complete the job properly across the province. Can the minister comment on the number that are required?

Basically what I am interested in, more than anything else, is how he differentiates between the actual method of assessment and evaluation, the two functions that are bound together in market value assessment. We discussed it briefly last year in the estimates, and I am wondering if there has been any new formula laid down whereby

assessors, when they go out to value a property at market value on their reassessment programme—and this is going on in many of the areas across the province now—how in fact do they rationalize the differences that can develop between actual measurement assessment?

We were told last year the instructions given to the assessor were that when he walks out the front walk of the house, to turn around and look at the house for 15 seconds and jot down a figure that comes to mind of what he thinks the actual market value of that house is worth.

I propose that there is going to be a great deal of difficulty following the implementation of market value assessment with the wide variety of values that are going to result from these two things. The other thing then which develops directly from this is the fact that the market value assessment of non-residential properties, commercial and industrial properties, is indeed more difficult and, in fact, carried on in a manner completely different from the assessment of residential properties at market value. I am wondering in the assessment education programme what actual instructions are being given at the present time? What methods are being used for industrial and commercial assessment, whether they are still relying on the replacement value less depreciation for assessing industrial and commercial and actual market value, which is what a willing buyer will pay to a willing seller as defined in The Assessment Act for residential assessment? If they are still using these methods, I predict that the shift from industrial and commercial assessment to residential assessment is bound to alter the method that had been set up and explained to us last year and was being used. If the minister would like to comment whether there have been any changes in the instructions to assessors in their educational programme, I would be glad to hear them.

Hon. Mr. Bales: Mr. Chairman, the hon. member is engaging in a fairly technical discussion—at least, he would like to—in reference to the actual practices of assessment. Basically, the practice has not been changed since last year. I do not think it is exactly as the member described it, but it is, as I said, a technical matter to understand what the trained people are doing. Normally, in analysing sale prices, a factor or modifier is developed which adjusts the price of the house to the proper basis, but the question the hon. member has raised is a highly technical one and

one with which he should sit down to discuss with the branch heads themselves. I would be glad to arrange that.

Mr. Good: This is the kind we had last year. Is the department using appraisal methods or is it using assessment methods? This is what I am concerned about because—

Hon. Mr. Bales: Mr. Speaker, the hon. member knows that we use appraisal methods in these things.

Mr. Good: Oh, you are? Well, then why all the measuring then; why are you going through all this exercise of measuring the house in final detail? Why are you going through these time-consuming measurements of seeing whether linoleum in the basement of a house goes directly to the wall or whether there is a two-inch border, because if it goes to the wall, then it is figured in as part of the house? If it stops two inches from the wall, it is not. Why do you go through the exercise of saying they have got wall-to-wall broadloom down here in the fruit cellar, or something like this, and maybe a person just threw a rug in there that happened to go to the wall. These are the things that these assessors are doing right now in their reassessment programme. Then this business of walking out and looking at the house for 15 seconds and putting a price on it, to me, it just does not add up.

Hon. Mr. Bales: Mr. Chairman, the measurements of a house are very important in establishing an appraisal of value. The assessors do not go around measuring the size of the linoleum and where it comes in relation to the wall of the house, and so on.

Mr. Good: They do measurements.

Hon. Mr. Bales: The outside measurements and the dimensions of the room are very important and have to be done in order to appraise the value.

Mr. Deans: But they are like field mice. They are in every corner. You may not appreciate it—maybe you do not know.

Mr. Good: Absolutely.

Mr. Deans: You should go out with them and see. It just is not so. They have their nose in every little corner. They are peeking underneath the bed, you know, in case you have got an extra bed there or something. You cannot fail to appreciate they are very zealous in the way in which they do the job. They are determined to see everything and they do.

Hon. Mr. Bales: Mr. Chairman, I have had my home appraised. I have seen how they do it. I have also had my home appraised for other purposes and they have measured the rooms fairly carefully. They tell you how many rooms and what the facilities are and so on and so forth, but I have never seen them around measuring the rugs or the linoleum or anything else.

Mr. Deans: No, it is not a matter of measuring it. They do not have to measure it. What they do is they look to see whether it is wall-to-wall. You do not have to measure you can tell by looking. Once having measured the room, if the rug is wall-to-wall, you know the rug is the same size, hopefully. You do not have to measure it again.

What they are doing is they are using factors that really do not always have a bearing on whether the property is more valuable. I will tell you I owned a house some years ago and I sold it and it had wall-to-wall broadloom in it and as far as I am concerned, I hope the people tore it out, because it was worn through, but it was wall-to-wall just the same.

Mr. J. B. Trotter (Parkdale): I will not buy a house from you, that is for sure.

Mr. Good: It would be assessed.

Mr. Deans: It would be assessed, this is the point. It would be assessed as wall-to-wall broadloom, although a hole was worn in it and it obviously was of no value. It probably detracted from the value of the house and I ought to have been given a reduction in the assessment.

Mr. Ruston: Every year he should get a reduction.

Mr. Deans: This is what I am saying to you, but I want to go on. Could the minister explain in this House—do you have a copy of the assessment manual?

Hon. Mr. Bales: Yes.

Mr. Deans: Do you have the form which they use? Do you have it with you?

Hon. Mr. Bales: No, the form is not here.

Mr. Deans: Pardon?

Hon. Mr. Bales: I have not got the form here, no.

Mr. Deans: You have not got the form?

Hon. Mr. Bales: No.

Mr. Deans: Would you bring the form in, because—

Hon. Mr. Bales: I would be glad to bring one next week.

Mr. Deans: Well, okay. Then let me say to you, I think that on going into a person's house, the occupants should be given a copy of the form to begin with. They should be given a copy and told, "This is what we are going to do in your house. This is what we are looking for. This is what we think is valuable and is not valuable."

How is a person going to appeal an assessment when he does not actually know at the time it is being done what the assessor considers to be important? You have to agree with me that my holey wall-to-wall carpeting did not add to the value of the house. Did it? Really, it could not, yet it was wall-to-wall. If a person buys a home and it has tile, he does not often then have wall-to-wall—

Hon. Mr. Bales: Tile where?

Mr. Deans: When it has tile on the floor.

Hon. Mr. Bales: Linoleum?

Mr. Deans: No, tile—it could be linoleum or tile—but if it has linoleum on the floor; they do not often have wall-to-wall rugs.

If it has no linoleum it quite often has a subflooring, and has no finished floor. Then again quite often it does not have that—again, it could quite conceivably have hardwood flooring, or it might be laid over the top of the floor. I do not see those things being taken into consideration.

Hon. Mr. Bales: I agree with you, because, in speaking to an official in front of me, he assures me that the type of covering on the floor is not taken into account in appraising the value of that house.

Mr. Deans: You say that you appraise, but in actual fact that has always been a part of the appraisal. It has always been. If you tried to sell a house, the market value is to some extent determined by whether or not it has wall-to-wall carpeting, whether or not it has venetian blinds, whether it has a TV aerial or no TV aerial. You know, all of those things are taken into account.

If you are accurately assessing the market value—which I happen to think is a rather useless thing anyway—but if you are trying to assess the market value, you must assess it on the basis of the things that affect the value

of a house. And a house is very much affected by whether or not it has aluminum storms or whether it does not, whether it has venetian blinds or whether it does not, whether—

Hon. Mr. Bales: They do not necessarily go with the house.

Mr. Deans: That is right. So they should not be assessed. I think the only things that should be assessed are whether the house is brick or wood, and how many rooms it has.

Mr. G. Ben (Humber): If you are assessing the wall-to-wall rugs, what if you put in tile rugs. That is, where you lay a rug the way you do tiles and it goes wall-to-wall.

Mr. Chairman: The hon. member for Waterloo-North.

M. Good: Mr. Chairman, it seems unfortunate that every year we go through this same exercise and have the director of assessment tell us that things are not being done when in actual practice we know they are being done.

They come into our homes. They were in my home a few weeks ago and this is exactly what they are doing. We have been told time and time again that the general improvements in a house are not going to affect the assessed value which will consequently affect the taxation. Yet, just last week, we passed a bill in the private members' hour whereby the city of Toronto made provision that improvements in homes would not affect or increase the tax for a certain class of citizens over 60 or 65. By the passage of that legislation, it was a self-admission by The Department of Municipal Affairs that home improvements do affect the taxation on a house.

There is no way you can convince the people who are paying the tax bills that they do not affect the taxation. But every year you tell us the same thing—that general home improvements will not affect the taxation.

Especially on market value assessment, if they are using the appraisal method—the minister said, Mr. Chairman, a few minutes ago that they are basically using an appraisal method—the appraisal method on a house is going to reflect exactly what a willing buyer will pay to a willing seller. This price will be certainly affected by the improvement or the outward standard of care and condition and appearance of that house.

I do not know why we have to go through this conflict of opinions of what is being

done—and find out during the year what is actually being done—every year in this House.

Hon. Mr. Bales: Mr. Chairman, just one point with reference to the bill that was before the private bills committee recently. There is certainly a difference between structural changes or improvements to a house, and additions such as chattels, which I regard as rugs, etc., classified in that general category.

When the matter of a sale is being negotiated, a person looks at some of these other things in the House and does settle it in the offer that they would make. If you look at offers to purchase you frequently find that in addition they include certain items covering rugs, blinds, awnings, etc.

Now those things are not part of the house, but are items or chattels that might go with the house. They are not necessarily included; they would not be included in the appraised value of the house from an assessment standpoint.

Mr. Deans: Chandeliers? I wonder if I might ask the minister: My understanding is that above-ground pools, swimming pools—

Hon. Mr. Bales: Above ground?

Mr. Deans: Above-ground swimming pools are now being considered in the assessed value of the property?

Hon. Mr. Bales: Are not or are?

Mr. Deans: Are. Yes, they are.

Hon. Mr. Bales: So far as I am aware, if an above-ground pool is really a movable object—you can take it down and move it away—on that basis, it should not be included in the assessed value. If on the other hand it is a permanent structure or becomes a fixture that cannot be moved it becomes, I think, part of the property.

Mr. Deans: My understanding at the moment, from speaking with people who have been assessed, is that the assessor has paid recognition to the fact that they had a pool above ground. Now some are very large. You can spend \$1,000 and get a fairly large—

Hon. Mr. Bales: Some of them are enclosed, with a wooden structure around them.

Mr. Deans: Right, but they are taken down and they can be dismantled and taken with—

Hon. Mr. Bales: And moved.

Mr. Deans: —the person who owns the property to the next home. Why should that be considered as a part of the real value of the property?

Hon. Mr. Bales: I think the distinction is there, as I mentioned. If you can take it down and move it, then it is not part of the assessed value of that property. If you cannot move it, it is obviously part of the property itself and has to be assessed as such.

Mr. Deans: I wonder if the minister can tell me then—we are still under assessment education—can the minister indicate to me what educational programme is actually being undertaken by the students who are being hired to go and do—as I understand it—the measuring in terms of the properties? What actual education, what length of education, what requirements are there for those people? How many are there at this point?

Hon. Mr. Bales: It is part of the practical work involved in the community college assessment programme and they do that in their school terms at the community colleges. They need not only the theoretical work and the work within the college itself, but they need practical work in the field, and it is done this way.

Mr. Deans: It is a voluntary effort? They are not being paid?

Hon. Mr. Bales: Yes, they are.

Mr. Deans: They are being paid?

Hon. Mr. Bales: It is paid through that particular programme.

Mr. Chairman: Vote 1402, item 2. The hon. member for Waterloo North.

Mr. Good: I am sorry. I am just trying to find this section in the Toronto bill. This is exactly the point we were talking about before. We all know that additions, structural improvements to a house, change the assessed value. There is no problem there. What I am saying is if your theory of appraisal is being used for assessing of a home, then there is bound to be a change in that appraisal value depending on whether the house is kept in good repair or poor repair. And the wording of the City of Toronto Bill the other week—if I could just find the section, maybe the deputy minister knows the section or remembers the section—definitely suggested the city of Toronto opinion on that part of it. The bill related to improvements in the home and my interpretation was that by the passage of

that bill the department was making an admission that improvements in a home could, in fact, affect the assessment, which would consequently affect the taxes on it.

Now the other—

Mr. Ben: May I say a word on this?

Mr. Good: All right.

Mr. Ben: Mr. Chairman, the hon. member having served on city council and having had this matter arise almost every year I was there, I would point out there had been considerable confusion. The city of Toronto was wont to send out with its tax bills a little pamphlet which indicated therein what work could be done on a private dwelling without any increase in assessments.

It was very difficult to distinguish between maintenance and improvements, as my colleague put it. The fact remained that, according to that pamphlet you could replace the existing heating plants, existing piping, existing water pipes; you could replace the roof, you could tear down partitions in the inside to enlarge rooms, you could put up partitions to make smaller rooms, you could replace existing porches with new porches and so on—

Mr. Good: You could do it in your basement.

Mr. Ben: —without an increase in value. But then it was difficult to convince people that this was so. We wanted people to improve their properties, but it appeared to them that any time one did any of these things the assessor was around there with his thumbs—and some had bigger thumbs than others—and that the assessments were going up. And one of the reasons that Mr. Dennison, the present mayor, for the last 10 years has been putting resolutions on the order paper asking that they receive legislation which would enable people to make improvements without an increase in assessment, was because of this confusion as to the cost.

I do think, Mr. Minister—through you, Mr. Chairman—that all the people in Ontario should one way or another be specifically informed as to their rights to make improvements to their dwellings, or to make maintenance repairs to their dwellings if you wish to put it that way. As I gathered from my experience, a citizen was able to do almost anything to his existing dwelling save and except add to it. That would be a generalization.

The fact remains that too many citizens were not aware or apprised of their rights in this regard and I do think there should be some way that the government can inform citizens all across the province as to their rights under The Assessment Act when it comes to maintaining their property in the highest degree of—how shall I put it—the highest degree of repair.

Hon. Mr. Bales: What you are suggesting is done in Toronto. It is what we endeavour to do through the assessors in various parts of the province. But I think you have got a good point with reference to sending it out. Certainly your concept of replacement of other facilities is correct. Those are not subject, then, to increased assessment. I have in my hands a bulletin, or at least a small brochure, "Your Property, Your Assessment, Your Taxes." This is the kind of thing that we send out to the property owners in the province to explain the kind of thing that the member had in mind in the city of Toronto. It is said in different words and in different ways, but I agree with him it is good to put this kind of information directly into the hands of the homeowners.

Mr. Ben: You are doing this?

Hon. Mr. Bales: We are doing it, yes; slowly perhaps, but it will be speeded up.

Mr. Chairman: Shall item 2 carry? There will be more discussion on item 2? Then I think we should have the motion to rise and report, it being 1 of the clock.

Hon. Mr. Winkler moves that the committee rise and report.

Motion agreed to.

The House resumed, Mr. Speaker in the chair.

Mr. Chairman: Mr. Speaker, the committee of supply begs to report a certain resolution and asks for leave to sit again.

Report agreed to.

Hon. E. A. Winkler (Minister of Revenue): Mr. Speaker, before moving the adjournment of the House, I would simply like to say we will continue with the estimates of The Department of Municipal Affairs on Monday, and following that discussion we

will proceed with number 4 on the order paper and consider legislation in Committee of the Whole House.

Mr. J. Renwick (Riverdale): Mr. Speaker, before the adjournment, could the House leader advise us when he anticipates the bills standing in the name of the Prime Minister (Mr. Davis) will be called; Bills 53, 54, 55 and 56?

Hon. Mr. Winkler: I am not prepared to give a distinct day on which they will be called, but it will be neither Monday nor Tuesday.

Mr. S. Lewis (Scarborough West): I can believe that.

Mr. J. Renwick: Mr. Speaker, could I ask the House leader if, either later today or on Monday morning, he could inquire and if it is possible let us know in advance when they would be called, because they are complicated bills and bills on which certain of our members have spent a considerable amount of time?

Hon. Mr. Winkler: I will endeavour to do exactly that, Mr. Speaker.

Mr. Lewis: If the minister can tear himself away from Sudbury East long enough.

Mr. E. R. Good (Waterloo North): Before the House adjourns, Mr. Speaker, could someone inform the House on Monday as to how many hours are still remaining for the consideration of the three major estimates and the several minor estimates that will be dealt with in the House?

Mr. Speaker: I am sorry, but that is a matter which, as far as I am concerned, falls under the jurisdiction of the Chairman of the Committee of the Whole House, who keeps track of it and who runs that. I would suggest the hon. member might find out from the Chairman, who is in the House now and will be here afterwards, or ask him on Monday when the committee sits.

Hon. Mr. Winkler moves the adjournment of the House.

Motion agreed to.

The House adjourned at 1:00 o'clock p.m.

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ONTARIO

Legislature of Ontario Debates

OFFICIAL REPORT — DAILY EDITION

Fourth Session of the Twenty-Eighth Legislature

Monday, June 21, 1971

Afternoon Session

Speaker: Honourable Fred McIntosh Cass, Q.C.

Clerk: Roderick Lewis, Q.C.

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of this issue.)

HOUSE OF COMMONS

OFFICE OF THE CLERK OF THE HOUSE OF COMMONS

Monday, June 21, 1937

Report of the Committee on the Administration of Justice
Presented to the House of Commons

By Mr. Speaker

LEGISLATIVE ASSEMBLY OF ONTARIO

MONDAY, JUNE 21, 1971

The House met at 2 o'clock, p.m.

Prayers.

Mr. Speaker: This afternoon we have as guests in both galleries students from Frenchman's Bay Public School in Bay Ridges, and in the west gallery students from St. Charles Separate School in Bradford.

Statements by the ministry.

Hon. W. G. Davis (Prime Minister): Mr. Speaker, it is my pleasure to table the document described as the Canadian Constitutional Charter, 1971, drawn up at last week's constitutional conference in Victoria. I am also tabling the statement of conclusions of the conference and a statement I made at the conference. All three documents are also being distributed to all hon. members.

As the members will know, the charter represents the proposed revisions to the constitution which those present at the conference agreed to present to their respective governments for consideration, with the understanding that each government would indicate its approval, or otherwise, of the charter by June 28.

I would like to inform the members of the House that my government agreed to accept this charter in its entirety following a cabinet meeting last week. I intend to notify the secretary of the constitutional conference of this decision as soon as possible. Moreover, in the event that all the governments will have indicated their approval by June 28, it will then be presented to this Legislature for full debate and, I would expect, formal approval.

It is our belief—that of myself and my colleagues—that this charter represents the best opportunity we have had in Canada, and will have for some time to come, to achieve a number of constitutional reforms and changes which have been sought by many for a good number of years.

It will result in a very large and important step forward: the patriation of the constitution to Canada. This will give the Canadian people the right and power of amendment. These steps, together with other pro-

visions in the charter, we believe, will provide Canadians with a constitution more pertinent, applicable and adaptable to the needs and purposes of the Canadian society, now and in the future.

While the charter is not entirely what we might have wanted it to be, we are nonetheless entirely in support of it. It does not contain all the provisions, nor all the language Ontario might have wished to see in it, but we wholeheartedly recommend all its provisions. In short, Mr. Speaker, our support of this charter is unequivocal and unqualified.

Members of this Legislature may take some pride in the contribution made by Ontario to this long and difficult process by successive provincial administrations. Particularly, I must mention the Confederation of Tomorrow Conference held here in Toronto in 1967, and the leadership and inspiration of the former Prime Minister (Mr. Robarts) on that occasion, and in the series of federal-provincial constitutional conferences which followed it. Perhaps it will be said that, as the path to Confederation began at Charlottetown and led to Quebec and London, the road to re-Confederation began at Toronto and led to Victoria.

The charter, I might say, is a typically Canadian achievement—representing years of patient, painstaking deliberation, culminating at Victoria and representing as well, the Canadian genius for compromise, and the Canadian capacity to find consensus in a diversity of opinions.

The charter is not the handiwork of any one government, much less of any one person, but it represents the mutual goodwill and the collective judgement of all who were present.

Hon. members, Mr. Speaker, will also realize that the issue still hangs in the balance. It may well be more difficult for some to reach agreement on this matter than it will be for others. I would hope that our prompt endorsement of it will offer both example and encouragement.

We cannot speak for others beyond the purview of this Legislature, but I believe it appropriate to say that the government of

Ontario hopes essential unanimity will be achieved, and that such will be without regard for the political advantage or disadvantage of any one party to this document, but a unanimity achieved in the common interest of all Canadians.

Mr. Speaker, it is a rare moment in our history and the moment represents a unique opportunity. I would expect the Leader of the Opposition (Mr. Nixon) and the leader of the New Democratic Party (Mr. Lewis), both of whom were present at the open portion of the conference, to share this opinion. We are seldom in complete accord in this chamber, and it would be easy enough for any individual member to find some disagreement, or to raise some doubts about various portions of the charter.

Mr. E. W. Sopha (Sudbury): The Prime Minister has no right to anticipate free speech.

Hon. Mr. Davis: However, I would hope that each of us will set these aside. While the charter may not be ideal, it is nonetheless the best that the leaders of our Legislature and Parliament, representing all of our national political parties, could achieve.

I might, sir, give a brief résumé of the more significant passages in the charter and indicate in passing Ontario's attitude and position.

As I have said, the charter contains the terms of a formula for amending the constitution in Canada. The conference also agreed to include in the charter an amendment to section 94A of The British North America Act which will add family, youth and occupational training allowances to the provisions of this section. A new subsection is to be added requiring consultation by the government of Canada with the provinces on any proposed future federal legislation in these areas.

A number of steps are also to be taken to refresh the language of the constitution, to rename certain enactments, and to delete spent and irrelevant provisions.

Political rights: The provisions in the charter concerning political rights follow closely the approach taken by Ontario since early on in the constitutional review. Our position has been that what is feasible to entrench in the constitution should be entrenched. We are gratified that the charter has adopted this approach with regard to these vital individual rights and freedoms.

Language rights: The language provisions represent a very important step forward. Previously, matters regarding the use of lan-

guages have been confined to one section of The British North America Act. The charter now contains a commitment to full bilingualism on the part of the federal government and the extension of language rights as far as feasible on the part of the provinces.

For our part, Ontario has agreed to the entrenchment of the right to the use of the French language for debates in the House, in communications with the head offices of all government departments and agencies of the government, and with the principal offices of departments and agencies in areas where there are substantial concentrations of French-speaking people. It will continue to be the policy of this government to expand language rights in other areas wherever feasible and practicable.

I might say, Mr. Speaker, that Ontario was prepared to have a clause in—

Mr. Sopha: Same as Alberta and British Columbia. You are in great company.

Hon. Mr. Davis: —was prepared to have a clause in the charter entrenching language rights in education—

Mr. S. Lewis (Scarborough West): That was retreat.

Mr. Sopha: Retrogression.

Hon. Mr. Davis: —but only if a number of other provinces also agreed.

Article 16 of the charter provides for any province to expand language rights within its jurisdiction and, in effect, "opt in" to the entrenchment provisions. Article 19 provides for the protection of languages other than French and English.

The Supreme Court of Canada: Ontario submitted an extensive set of proposals on the Supreme Court of Canada, some of which were accepted and are included in the charter, others of which made some contribution to the ultimate determination of this section. An important effect of this section is that the Supreme Court of Canada will become a national court rather than an institution of the federal government.

For the first time, the provinces will have some involvement in the nomination of justices appointed to that court. As well, the jurisdiction of the court will be entrenched in the constitution rather than described in a federal statute. The charter also provides that, where a case before the Supreme Court of Canada involves questions of law relating to the civil law of the Province of Quebec

and involves no other question of law, it shall be heard by a panel of judges, the majority of whom have been trained in the civil law.

Revised section 94(a): As I said earlier, the charter extends the provisions of 94(a) of The BNA Act to family, youth and occupational allowances for all provinces. The jurisdiction over these matters and those previously contained in section 94(a) of The BNA Act would be concurrent with provincial paramountcy.

Regional disparities: The charter contains a commitment on the part of the federal government and the provinces to promote equality of opportunity throughout Canada, to provide a reasonable quality of public services and to promote economic development in order to reduce regional disparities.

Federal-provincial consultation: Since early in the constitutional review Ontario has accorded priority to the establishment of better mechanisms for federal-provincial consultation. We are, therefore, pleased that the meeting in Victoria agreed to include in the charter a provision for a yearly meeting of first ministers.

Amendments to the constitution: The amending formula contained in the charter is based on the consensus which was reached at the February meeting of the first ministers. The government of Ontario has found this formula acceptable and we hope that the flexibility which it provides will enable it to serve Canadian federalism in the decades to come.

Since the imperial conference of 1927, repeated attempts have been made to find a suitable amending procedure. After 44 years, the present formula represents a great achievement.

Modernization of the constitution: The charter contains provisions for the modernization of the constitution in the removal of spent or irrelevant provisions, such as the terms of union of some provinces. In addition, these provisions provide for the repeal of the power of reservation and disallowance, which we believe are inconsistent with the spirit of federalism.

The government of Ontario, Mr. Speaker, considers the step we took in Victoria to be just that, one step which must be followed by others. Since the Confederation of Tomorrow Conference, Ontario has stressed the need for a thorough assessment of the broad range of issues which are the root of our federation's contemporary problems.

As we stated to the conference, we have consistently urged that consideration be given to fiscal and functional issues. We have urged that consideration be given to the distribution of legislative powers to determine whether they remain appropriate to our present needs and values. This issue remains virtually untouched by the charter.

We have stressed the need for established, improved intergovernmental consultation and co-ordination beyond agreeing to meet annually. We still have not discussed this question in terms of our continuing day-to-day relationships. Ontario has also stressed the need for a thorough assessment of federal-provincial fiscal relations. These relationships have been discussed, it is true, but we have not yet begun to resolve the imbalances existing between provincial revenue capacity and the rapidly growing expenditure responsibilities of the provinces and the municipalities.

Mr. Sopha: That is all the Premiers talked about, more money.

Hon. Mr. Davis: Mr. Speaker, we are pleased that the first ministers will meet in the autumn to discuss all aspects of federal-provincial fiscal arrangements including tax reform, shared cost programmes, equalization and tax sharing.

Mr. Speaker, it is entirely fitting that the government of Ontario should be among the first, if not the first, to recommend the adoption of this Canadian Constitutional Charter. There is little or no time left for doubts or second thoughts; such can only weaken the resolve of others whose inclination it is to support the charter and strengthen the will of those few who want only failure to come from this long, patient and deliberate effort to provide Canada with a constitution of its own design.

It is my view and that of the government of Ontario that the Canadian Constitutional Charter, 1971, is an historic achievement and a sound beginning to constitutional reform for Canada. I take pleasure and pride in commending the charter to the House.

Hon. J. Yaremko (Provincial Secretary): Mr. Speaker, as has been indicated to the House on several occasions the liquor laws have been under review and certain changes have been made and I should like to announce certain new items. I shall be referring, for the record at this time, not only to what is

in bills to be introduced later on this afternoon, but what will be done by regulations and their applications.

Mr. Speaker, you will recall that recently I announced that the Liquor Licence Board have given permission for certain licensees with the proper facilities to extend services under their licences into immediate open-air areas. After a flurry of misunderstanding—as sometimes happens—these facilities are in operation and the public response has been most favourable.

New service in dining lounges and dining rooms: A basic principle which has been followed within Ontario is emphasis on food with the service of liquor. Adherence to this has brought into being a broad array of fine dining places not only in the populated urban areas but throughout all parts of the province.

Our society is becoming an eating out one. Yet the strict requirement that liquor be served only with meals in a dining lounge or dining room has led to some unrealistic situations—for example, where one wishes to join friends after having eaten elsewhere, or in late evening wishes to go to a dining room where entertainment is being given.

Mr. Sopha: The minister means for table hopping?

Hon. Mr. Yaremko: Under these amendments it will no longer be necessarily compulsory to order a meal in order to have a drink in a dining lounge or a dining room in Ontario.

Mr. Sopha: That is a step forward for the—

Interjections by hon. members.

Hon. Mr. Yaremko: A person may eat as much or as little as he wishes; a person will not be forced to eat or to go through the motions.

Mr. Lewis: Now there is the new wave.

Hon. Mr. Yaremko: At the same time—

Mr. Lewis: There is the evidence.

Hon. Mr. Yaremko: —in order to maintain our general approach that beverage alcohol should be available in conjunction with food, proprietors will have to manage their affairs so that the total receipts from the sale of liquor in any month shall not exceed the total receipts from the sale of food. It is to be understood that we are not converting our dining lounges into lounges.

On Sunday, service will continue to be only with a meal.

Mr. Lewis: Well, that is logical.

Hon. Mr. Yaremko: Sunday entertainment: The principle that I have referred to is based on our experience which indicates that the public is best served and a style of life best protected when alcohol is not isolated from other normal human activities, such as eating and entertainment. In this regard, public houses are now being encouraged to make food available. Permission will also be granted to allow dining lounges and dining rooms to provide entertainment by way of dinner music and dancing on Sunday evenings.

Interjections by hon. members.

Mr. Lewis: That is really a contemporary group over there.

Hon. Mr. Yaremko: Confections: In the past, there has been a restriction on the sale of products such as the famous European liqueur candies if the alcohol content exceeded 2.5 per cent by weight. This will now be raised to 5 per cent and we will so make available to the residents of Ontario specialty products for special occasions.

Mr. Lewis: Think of what that will do to Laura Secord.

Mr. Sopha: A real swinger.

Hon. Mr. Yaremko: Chocolates of this form have long been regarded as delicacies in many parts of the world from which our residents come—

Mr. Sopha: Do you people not believe in drinking that booze rather than eating it?

Hon. Mr. Yaremko: —and now all who wish to enjoy this form of sweet, whether imported or not, will be able to do so.

Interjections by hon. members.

Hon. Mr. Yaremko: Residences: We have entered a new age of shelter—

Mr. P. D. Lawlor (Lakeshore): Into the 14th century.

Mr. Lewis: New age of what?

Hon. Mr. Yaremko: New age of shelter—the word “condominium” is symbolic of the changing scene.

Mr. Lewis: It is a good thing you are reading that, it needs a buffoon.

Hon. Mr. Yaremko: Accordingly, these amendments also carry a redefinition of the concept of residence so that the definition has been broadened significantly. Apartment dwellers will now be enabled to enjoy all of the facilities of their building, whether indoors or outdoors, alone or with their invited guests, in like manner to those who live in private homes. It has occurred, for instance, that apartment residents could not have a beer beside the pool on their apartment property, because of concern for a breach of the liquor laws.

Mr. Sopha: And properly so.

Hon. Mr. Yaremko: There has been doubt as to whether or not a man who was having a party in the apartment recreational room was entitled to serve drinks to his guests on the same basis as he would be in a separated dwelling. This doubt will now be removed and an apartment unit, together with all the areas used in common with the other apartment residents, will be considered as part of a home so that no misunderstanding should arise. A mobile home is also included.

Mr. J. B. Trotter (Parkdale): You can go apartment hopping and carry your drinks.

Hon. Mr. Yaremko: Senior citizens' residences: I am happy to announce that this broadened definition of residence is intended to include senior citizens' homes to enable residents to keep, for their own use, the beverage of their choice for consumption in their own rooms, in their lounges, in recreation areas, on their patios and in the dining rooms.

Mr. Sopha: He wants all the old people stoned.

Hon. Mr. Yaremko: To insist that one of our elderly citizens change his social habits simply because circumstances forced him to move from his own private home or his family's residence into one of our senior citizens' homes has imposed an unreasonable condition. Both the latter provisions are permissive.

Mr. D. C. MacDonald (York South): Hear, Hear. Unreasonable—you are right.

Hon. Mr. Yaremko: Special events: There will be formulated a new special events policy which will apply all across the province. This policy will facilitate local festivals and exhibitions which celebrate, for example, historical events of the area—harvest festivals, significant public anniversaries, trade and

other special events. Permits will be available for indoor and outdoor service facilities. The policy will require such festivals be well organized by responsible groups and citizens in the area. One can cite as examples, the Oktoberfests, the North Bay Winter Fur Carnival, the Niagara harvest festivals, and the Ottawa Winter Carnival, as public activities which our people wish to enjoy in all aspects.

Mr. Lewis: And Icelandic national day.

Hon. Mr. Yaremko: Forty-ounce bottles.

Interjections by hon. members.

Hon. Mr. Yaremko: There have been requests made of late for larger containers to be available in the liquor stores. It is hoped that shortly before Christmas, or at the turn of the year, all the distilleries will be able to supply the board with 40-ounce bottles for use at home and in licensed premises.

Mr. J. R. Breithaupt (Kitchener): Do you have larger containers available?

Hon. A. F. Lawrence (Minister of Justice): The member is not criticizing now? Quit your belly-aching.

Hon. Mr. Yaremko: Midnight closing of certain stores: And since there have been requests for later store hours in some areas, the Liquor Control Board will designate certain stores to remain open until midnight where the size of population is sufficient and the people in the locality show requirement for, and make use of, the service.

Hon. A. F. Lawrence: No rude remarks on that one?

Mr. Lewis: It is great stuff.

Hon. Mr. Yaremko: A recent survey has indicated that Malton international airport here in Ontario is the busiest airport in Canada. In keeping with the international stature of that airport and as a convenience to Canadians travelling abroad, whether by regular scheduled commercial airlines or by charter services, the government of Ontario is proceeding to establish what is commonly known as a duty free store for the sale of liquor at Toronto International Airport.

Negotiations have already begun with The Department of Transport, the government of Canada and with the customs and excise division of the federal government. It is hoped that although space is very limited and new buildings are not yet completed,

some temporary arrangements can be made to put the store into operation within the next month. The store will be operated by the Liquor Control Board to ensure the standard of quality of service to the public and there will be made available a selected number of brands available in these stores.

Some time ago we amended the legislation so that licensed premises could open after the polls close in municipal and provincial elections. The federal government has amended the federal Elections Act so that it is no longer an offence to serve liquor in public places on federal elections days after the polls have closed. Accordingly, regulations are being changed to provide for the opening of premises after the polls close on federal election days.

Mr. MacDonald: This government always follows somebody's example—no initiative.

Hon. Mr. Yaremko: No, no. They followed us.

Mr. MacDonald: Oh, this government has not done it yet.

Hon. Mr. Yaremko: Also it frequently occurred that all of the licensed premises in a municipality had to close on voting days, even though only a small section of the community was voting on an isolated matter. Under the changes, only those licensed premises which are in areas affected by the municipal votes will be closed during the voting hours.

New procedures on hearings of applications: The hospitality and tourist industry of Ontario has made a great contribution to the emerging life style of this province, to the pleasure not only of many of our residents but to the many thousands who will visit with us. It is in great part due to their efforts that tourists from all over North America and the world are pleased to return to Ontario year after year in the confident knowledge that good clean accommodation, well-prepared meals and properly served beverages all are available here in abundance at a fair price. We believe it important, therefore, that the hospitality industry be encouraged and that the regulations which affect the industry be more reasonable, realistic and in tune with the times.

The time elements of board procedures in dealing with applications have been under criticism. For instance, in the past a restaurant owner had to be in business for six months or more before he could even fill

in an application for a licence. After all the forms were filled in, plans filled and the first hearing held, another six months had gone by. Then came the special meetings, which were held originally once a year and now twice per year around the province in the 14 licensing districts. More months could go by as checking continued. Many operators found these periods trying and very difficult.

I am happy to announce that new policies of the Liquor Licence Board will make it even possible, under certain conditions, for establishments to open with the licence on the wall. To bring this about the board will hold preliminary hearings on a continuous basis, and special meetings as needed. Applications will be dealt with on the basis of checking all the relevant factors prior to and at the time of application, and all procedures will be streamlined. It is to be noted that the present statutory provisions for publication and hearing of objections will be continued.

Flexibility as to hours of service: In the past, uniform hours of service were enforced across the province throughout the week, whether public demand existed or not. Now by arrangement with the board, it will be possible for owners to close earlier if they wish and to close for periods during the day related to the needs of the public. This will be no extension of the hours, but rather allows the operator more flexibility in running his own business as he sees fit as a responsible businessman.

This attitude represents the future course of the policy of the board—under the statute and regulations, as far as possible, to leave the internal workings of licensed establishments to the good sense of the owner and the demands of his patrons so that he will be able more readily to tailor his service to the local public demand while keeping up the present high standards of the province.

Equal employment opportunity: It will now be possible for waiters and waitresses to work interchangeably in all licenced premises regardless of the classification of the licence. Formerly there were restrictions on employing waitresses in certain types of establishments; in view of The Women's Equal Opportunity Act, these restrictions are removed.

Removal of mandatory minimum \$5,000 fine: Modern times have also taught the hotel keeper and the restaurateur the advantages of incorporating their businesses, and hundreds of small licenced establishments around Ontario are now incorporated. This new development in the commercial life of the prov-

ince has created situations where small incorporated licensees are not fairly dealt with. Heretofore, for certain breaches of the liquor laws, even those considered of a minor nature, the minimum fine for any corporation, even the small family or personal company, was \$5,000. A similar small establishment owned by a man in his own name could be fined as little as \$1. This has had the effect of penalizing unfairly those small businesses that were already incorporated and, at the same time, keeping other unincorporated licensees from enjoying the advantages of incorporation. The minimum fine will therefore be revoked while the \$25,000 maximum will be retained so that there will be discretion to be exercised by the judge.

Disclosure: The board is aware that the corporate structure can result in indirect licensing. That is the persons in actual control may not be known to the board, and the board wants to ensure that all such shareholders are known to it. In order to accomplish this, all persons or corporations who hold 10 per cent or more of the shares of a corporate applicant will have to be disclosed, as will any person who owns shares in a company that in turn owns 10 per cent of the shares in such an applicant. So we will have two levels of disclosures: the first disclosure will be of the people directly interested in the corporate applicant and the second level disclosure will be concerned with those who are indirectly interested in the licence through corporate holdings. Screening procedures are to be developed to enable the board to ascertain as best possible, who has the beneficial interest in a licence.

McRuer recommendations. The hon. J. C. McRuer recently filed the third report of his commission, which contains comments and recommendations which refer to the Liquor Control Board of Ontario and the Liquor Licence Board of Ontario. I have read them with a great deal of interest and discussed the matter with the boards. All aspects of the report are being studied together with the "Rights legislation" introduced recently by the Prime Minister, and these will be considered in the light of a complete revision of the two Acts in the future.

Mr. Speaker, there are certain other minor changes being made to clarify and other changes being made where irritations have arisen in the past. The present changes do not cover all of the suggestions made to the government; some proposals put forward and not adopted were far-reaching indeed and if they had been adopted in totality would be

equivalent to the repeal of the two Acts. On the other hand, I make known to you that there is a large segment of our population which is greatly concerned with the abuse of alcohol; they have made their representations in restraint.

Mr. Speaker, I should like to make note of the fact that the "local option" provisions of the Acts will continue to be in force. Citizens coming under these provisions will still have the right to determine these questions for their own community at the local level.

I announce no change in the drinking age as that is part of the considerations in connection with the age of majority.

Mr. Speaker, I look forward to the debate that will follow both within and without this House. We have not come up with all the answers, but we trust that the changes undertaken at this time are responsible steps in enabling our citizens to use, in moderation, that which many find an enjoyable positive adjunct to life.

Hon. A. Grossman (Minister of Trade and Development): Mr. Speaker, I should like to advise the House that the government's loan to McClelland and Stewart Limited, one of Canada's largest book publishers, has been granted and the terms and conditions approved. It is particularly gratifying to announce that as a result this company will continue in business and accordingly will remain Canadian.

As you know, the Prime Minister initiated this move in his statement on April 15, following the recommendation of the Ontario royal commission on book publishing, which was informed by the company that negotiations had been opened with US interests. The total amount of the loan, authorized by the Ontario Development Corporation, is \$961,000. The first payment of \$351,000 has now been delivered.

The government agreed with the royal commission that the creative momentum in original Canadian publishing undertaken by McClelland and Stewart should not be lost or be permitted to be transferred to non-Canadian ownership. It is with disappointment, therefore, that I must report that the federal government declined our request for co-operation in this important matter of national concern.

The loan is for a 10-year duration, interest-free until May 31, 1976. Interest will apply from then at current ODC rate until

May 31, 1981, when principal and any outstanding interest become due and payable. McClelland and Stewart is to appoint two board members selected or approved by the ODC. The ODC also has the option, at any time during the term of the loan, to acquire a minimum of 51 per cent of the company's voting shares.

Hon. W. D. McKeough (Treasurer): Mr. Speaker, on June 18, the Minister of Finance brought down his 1971 budget and long-awaited new income tax legislation. There is a great deal at stake for Ontario taxpayers in this new federal legislation, both in 1971 and over the next decade. Consequently, the government is undertaking a detailed and thorough analysis of the taxation and fiscal policy changes introduced by the government of Canada. This essential work is already under way, but until we have completed our detailed assessment, I will reserve my comments to the general thrust of the new federal policies.

Let me turn first to the matter of fiscal policy and the belated recognition by Ottawa of the need for positive measures to stimulate economic growth and reduce unemployment. The Ontario government welcomes the federal government's adoption of an expansionary tax policy. We have been very concerned by the rising level of unemployment in our province for the past year and a half, and it is evident to us that the high level of federal tax drag has been an important contributing factor. We advocated removal of the surtaxes immediately after Mr. Benson's overly optimistic budget of last December. We documented our case in some detail in two successive Ontario budgets, and in April of this year we used the full-employment budgeting technique to design and introduce tax policies to offset some of this federal tax drag.

Mr. R. F. Nixon (Leader of the Opposition): Full employment without reducing taxes? It is a lot of hot air.

Hon. Mr. McKeough: The number of people with jobs in Ontario in May was in fact lower on a seasonally adjusted basis than in February. The per cent of the labour force unemployed in recent weeks has reached a ten-year record high. We are, therefore, most—

Mr. MacDonald: It is a failure of the minister's job creation programme; or the absence of it.

Hon. Mr. McKeough: —relieved that our own five per cent corporate tax credit, which was designed to head off a recession in business investment, will be complemented in coming—

Mr. Breithaupt: Get serious!

Hon. Mr. McKeough: —months by federal tax relief for consumers. These tax moves by our two governments should work in a mutually reinforcing way to stimulate increased and balanced economic demand from both the household and business sectors of the economy.

Mr. G. Bukator (Niagara Falls): It sounds like the minister.

Mr. H. Peacock (Windsor West): The minister could not cut the retail sales tax himself.

Hon. Mr. McKeough: We are not in a position to judge at this time without further analysis whether the federal tax cuts are adequate to overcome the seriousness of the unemployment problem. They are a step in the right direction and we shall be watching Ontario's economic performance very carefully in future months.

Mr. Breithaupt: It is about time.

Hon. Mr. McKeough: The major problem, as we see it, is the cumulative effect of the delay in introducing these measures. In Ontario alone there are 180,000 people without work—

Mr. Nixon: Mr. Stanfield could do better than that.

Hon. Mr. McKeough: The Leader of the Opposition thinks that it is funny there are 180,000 people without work. Great joke!

Mr. Nixon: I think the minister is funny. He is a riot. He is afraid to say it is a good budget.

An hon. member: We will wait and see what happens.

Interjections by hon. members.

Mr. Sopha: The minister is a buffoon.

Hon. Mr. McKeough: In Ontario alone, Mr. Speaker, there are some 180,000 people without work and our labour force is growing by 90,000 to 100,000 people a year. To absorb such a large number of people into the work force quickly is going to require a very sub-

stantial increase in economic growth in the next few months.

Mr. Sopha: That budget will do it.

Hon. Mr. McKeough: The federal government's budgetary deficit for 1971-1972 is forecast at \$750 million; this compares with Ontario's anticipated budgetary deficit of \$415 million.

Mr. Sopha: Their budget is three times as large.

Hon. Mr. McKeough: The federal government's fiscal swing, which is a very rough measure of its expansionary impact, is \$332 million from a deficit of \$418 million in 1970-1971. Ontario's is very close to this with a swing of \$300 million from a deficit of \$115 million last year.

On the basis of these forecasts we tend to believe that the federal government has arrived late on the scene with expansionary fiscal policies and has left a large part of the burden of economic deflation with provincial treasuries across the country. It seems to be generally true across Canada that provincial budgets were forced into larger deficits and higher borrowing early in the economic slowdown because of revenue losses.

Mr. E. R. Good (Waterloo North): The minister has not borrowed a nickel for three years.

Hon. Mr. McKeough: Proportionately, provincial governments have therefore been more expansionary for the past two years so that the federal government's removal of surtaxes is very welcome but also very late.

Turning now to the new income tax legislation tabled by Mr. Benson, there are two general observations I would like to make at this time. As I have already said, this new legislation is extremely long and complex. The new draft bill runs to almost 600 pages but is of fundamental importance to all Canadian and Ontario taxpayers. Ontario therefore intends to analyse and scrutinize it very thoroughly to ensure that it indeed delivers the kind of real tax reform that our taxpayers expect and deserve after a decade of study.

A preliminary assessment of the new federal tax legislation shows one thing very clearly—the extensive and constructive contribution by the Ontario government in the national tax reform debate. We produced three major policy papers and five technical studies, and that has paid off in substantial measure.

Ontario's proposals and approach to national tax reform are largely incorporated in the final tax legislation now advanced by the federal government. Let me list a number of the major areas where the federal government has followed our recommendations or moved in the direction we favour:

The new federal legislation recognizes that real tax reform must achieve two principal goals—foster economic growth and improve equity. The improved—

An hon. member: People were claiming—

Hon. Mr. McKeough:—equity of the original white paper by comparison would have been largely illusory since it involved large tax increases and reduced economic incentives necessary for an efficient and dynamic economy.

As Ontario strongly advocated, the complex integration has been abandoned in favour of improving the dividend tax credit and retaining the present system of taxing corporations.

The new legislation also has responded to the strong representations made by Ontario and other provinces as well as by concerned Canadians generally, that a sound tax incentive be retained for small businesses. The original federal white paper ignored this essential requirement entirely.

I would also point out that while the new small business incentive proposed by Ottawa is not as generous as we had hoped—it does not cover unincorporated forms of business enterprise—it does incorporate many of the features proposed by Ontario. For example, it is restricted to Canadian businesses, it is an incentive related to increased investment and it provides a maximum limit on the amount of tax benefit available to any one business.

The new legislation also sets out the kind of capital gains tax advocated by the Ontario government as early as March, 1969: a gains tax along the lines of the United States, with realization at death and emigration, with exemption on homes and with compensating reduction in death duties. This is far superior to the complicated, discriminatory and excessive capital gains system proposed in the original white paper.

The new provisions for savings and for Canadian ownership also are major changes from the original white paper. In all of Ontario's work on tax reform, we strongly advocated using the national tax system in a

positive way to promote savings and encourage greater participation by Canadians in Canadian businesses.

I am particularly pleased that the federal government has followed the lead established by Ontario in its 1971 budget to make interest payments on purchase of shares deductible. However, I would have thought that this overdue reform should have been possible to implement immediately.

Some features of the new federal legislation, of course, did not move in the direction favoured by Ontario. In particular, there is the matter of delivering tax relief to low-income Canadians via the mechanisms of increased personal exemptions rather than through the tax credits. Ontario is convinced that the tax credit mechanism is superior both in terms of revenue costs and in terms of fairness. Tax credits also make possible comprehensive redistribution of total tax burdens by allowing for refunds of sales and property taxes paid by families too poor to pay income taxes. I am also disappointed that the federal government still has refused to tax strike pay.

On balance, however, I am pleased that Ontario's extensive contribution to the national tax reform debate has proved itself in the final tax legislation that has emerged. It is clear that the Ontario government's decision to undertake major studies on the full range of the original federal proposals and to advance detailed proposals of its own has been a major factor in the ultimate shaping of a new tax structure. Not only that, it prevented the introduction of what could have been very undesirable features of our tax system. And I am hopeful that as we dig into the real impacts and implications of the complex tax statute, this favourable impression will remain.

In order to assess fully all the implications of the tax changes currently proposed, and because of the significant differences from the original proposals, we are again undertaking detailed studies which are already in progress. As you will appreciate, this type of study is very complex and is expected to take considerable time and resources.

It will be necessary to analyse carefully the effects of the changes on individual taxpayers and government revenue, both federal and provincial. However, we are encouraged that the federal government has apparently accepted the principle advanced by Ontario that future tax reductions are needed to offset expected increases in revenue. I am also pleased to note that the federal government

has made use of quantitative techniques used in Ontario's own studies in determining the impact of the changes. I am encouraged that Ottawa has agreed to provide the provinces with full information on the revenue estimating techniques and the results of its analyses.

We expect to do a complete analysis of the incidence of the changes—that is the impact on the people in different income positions. We regret that the new tax proposals will ignore completely the approximately two million people whose incomes are already too low to experience any benefits from the tax changes. Similarly, we regret that the federal government made no attempt to achieve integration between a comprehensive social security system and the new tax system. We still maintain that the choice of higher personal exemptions instead of refundable tax credits is a major drawback of the new system.

As soon as our analytical work is completed, I expect to provide all members of the House with considerably more detailed comments on the tax changes and their implications. You will understand that only upon completion of our studies will we be able to determine the future course to be chosen by the Ontario government.

Mr. Lewis: The Treasury has certainly cooled down.

Mr. Speaker: Statements by the ministry.

An hon. member: They made some progress.

Mr. MacDonald: Is the Treasurer going to be like his predecessor—support it now and repudiate it later as was done on the white paper?

Interjections by hon. members.

Mr. Speaker: Order! Order!

Mr. Nixon: Is that as good as the Treasurer can do?

Mr. Lewis: It is going to be tough to renew hostilities that way.

Hon. L. Bernier (Minister of Mines and Northern Affairs): Mr. Speaker, in a slightly different vein, it is my privilege to announce to the members of this House the winning team of the annual provincial mine rescue competition.

This competition dates back to 1950 when the first trials were held in Schumacher,

Ontario, by seven teams representing the mines of the Porcupine area.

Today's winning team was successful against 37 other teams representing seven district competitions throughout the province of Ontario.

Mine rescue training programmes are carried out by my department in co-operation with the mining industry. Over 1,000 miners in Ontario have taken the programme to date and it is a tribute to their effort and the excellence of the programme that in 368 underground fires in Ontario metal mines in the past 24 years, there has been only one fatality.

I think it is also important to note that on only 78 occasions when underground fires have broken out have mine rescue squads had to be called. This speaks well for the fire-consciousness of miners and the mining companies and for the preventive measures taken in today's hardrock mines. This mine safety programme is completely underwritten by the mining industry.

I know that all the members of the House will join in expressing the congratulations of the government of Ontario to Joseph Shlemkevich, captain of the Frood Stobie Mine rescue team—

Mr. Sopha: Who else would win it but a Sudbury team?

Hon. Mr. Bernier: —and to the members of the team: David A. Bruce—do you want to call them down?

The hon. member does not agree with them?

Mr. Sopha: Best miners in the world.

Hon. Mr. Bernier: I will put their names in the record, and then if he has anything to say about them, the member can tell it to them.

Mr. Sopha: All from Sudbury.

Hon. Mr. Bernier: Richard Lampman, Edward A. Johnston, Barry Deacon, and Carl K. Moore, and the team briefing officer, Nelson Allan.

The government also congratulates the Sisco Metals team of the Kirkland Lake-Cobalt district, which placed second and the Rio Algom Quirke Mine team of the Elliot Lake district which placed third.

Mr. Lewis: No ministerial homily from the Provincial Secretary?

Hon. Mr. Yaremko: Next month.

Mr. Lewis: Next month?

Mr. Speaker: I am sure that the members will be interested to know we have some very distinguished visitors with us today in our galleries. In Mr. Speaker's gallery, we have Mr. Graham Sinclair of Ashburton, New Zealand, who is the international president of the Junior Chamber of Commerce, accompanied by the Ontario president, Mr. Douglas Lewis.

And I know the members will be most pleased to know that we have a colleague, a member of the State Assembly in Victoria, for the constituency of Rodney, Mr. Russell MacDonald, who, with his wife, is visiting us here this afternoon.

Oral questions.

FEDERAL-PROVINCIAL CONFERENCE

Mr. Nixon: Mr. Speaker, a question of the Premier, further to his statement on the acceptance by the cabinet of the form of the statement of conclusions of the constitutional conference: In the unhappy event that approval is not sent to the secretary of the conference by June 28, does the Premier know of any alternative way in which other measures can be arrived at by the committee of first ministers as it really functions, or do we face the complete abandonment of the work that has already been done?

Hon. Mr. Davis: Mr. Speaker, no alternatives were explored. I think, on the basis that we are all approaching this in a very positive manner and on the assumption, and I recognize the problems involved, that all governments will approve this charter, we have not considered alternatives.

Mr. Nixon: A supplementary: There is no alternative considered by the committee of first ministers?

Mr. Sopha: A supplementary: In light of the ambiguous statements made by the Premier of Quebec as to whether he would even recommend it to his cabinet, can the Premier give us any assurance, from his own personal knowledge, whether we might expect acceptance by the government of Quebec?

Hon. Mr. Davis: Mr. Speaker, I cannot out of personal knowledge or any other kind of knowledge tell the hon. member for Sudbury.

I guess I could only express a hope and that is that it will be, but I certainly cannot say it will or it will not.

Mr. Nixon: A supplementary, Mr. Speaker: If, in fact, there is unanimous acceptance of the basis of the constitutional changes, can we expect that the debate in this House will be something more than a formal debate? That we will have an opportunity in committee to question the experts who advise the government in constitutional matters, as the Premier indicated would be available earlier this session?

Hon. Mr. Davis: Mr. Speaker, the understanding is, of course, that this will, by way of resolution, be approved by members of this House. I will consider the suggestion made by the Leader of the Opposition, but I would very earnestly hope that this is one resolution that will be agreed upon with unanimity in this House, because to me it is one of the very significant resolutions that has been presented.

Mr. Nixon: A supplementary: Surely the Premier understands the difference between unanimous agreement and the opportunity to be briefed as to what went on at the conference, and also to question those who are expert in the field so that in fact when we discuss it we will have all the facts available since most of the sessions out west were closed?

Interjections by hon. members.

Mr. Speaker: The member for Lakeshore has a supplementary?

Mr. Lawlor: Thank you very much, Mr. Speaker. Will the member for Riverdale sit down?

To the Prime Minister: What if Quebec refuses to ratify the great charter? Has he any proposals emanating from this government as to what alternatives should eventuate?

Hon. Mr. Davis: As the member for Lakeshore knows well enough, Mr. Speaker, this government approaches everything in a positive sense. I personally have not given consideration as to what might happen if one of the provinces did not participate.

Mr. Speaker: The member for Riverdale.

Mr. J. Renwick (Riverdale): By way of a supplementary question: What will be the precise significance of the formal approval by this Legislature and the consent prior to June 28 by this government to the charter?

Does that mean that we have adopted the charter in its exact language as it has been distributed to his House today? Or is there room for further discussion and debate either at the federal-provincial level or at another level?

Hon. Mr. Davis: Mr. Speaker, the indication—not an indication—the statement that I have read today is an acceptance by this government of the charter as it is presently before us. This communication will be sent to the secretariat within the next day or so and there will be no variations from this as it relates to the decisions prior to June 28.

I might also say, Mr. Speaker, that it must be abundantly clear to the member for Riverdale that as far as discussion here in the House is concerned—and I am quite interested in a full discussion—the resolution will, in fact, adopt the charter in word-by-word form. If we were to go any other route, it would mean that there would be another series of federal-provincial conferences relating to specific t's and i's and other phraseology which might lead then to a greatly prolonged situation.

Mr. Peacock: Why put us through the motions?

Hon. Mr. Davis: Mr. Speaker, the understanding by the first ministers is that if there is acceptance by the government, the resolution will refer to the charter as it presently exists. I have indicated in my statement that no one has said this is the be-all and the end-all but nonetheless it is a very real beginning, a very constructive step, and one which I hope after very full discussion all members of this House will accept with enthusiasm.

Mr. J. Renwick: By way of a further supplementary question: If the formal approval is to be given by this Legislature under the terms which the Prime Minister has just enunciated, would it not be advisable and would it not be helpful if that particular resolution were introduced in this assembly and the debate took place prior to June 28?

Mr. Lewis: Hear! Hear! Why not?

Hon. Mr. Davis: Mr. Speaker, the very clear understanding by all first ministers was that this was to be a matter of government policy. It has now become a matter of government policy—

Mr. Lewis: It is a first minister's club. Some constitutional participation!

Hon. Mr. Davis: That is fine. This was the decision that was made and felt to be in the best interests of all governments involved. Ontario does have an interest in the rest of Canada.

Interjections by hon. members.

Hon. Mr. Davis: Mr. Speaker, this is the only practical way to approach it.

Mr. Speaker: Has the member for Kitchener a supplementary?

Mr. Breithaupt: Mr. Speaker, my supplementary to the Premier was simply that if the statement has been approved by the government, and if we are not to have any involvement in any changes, is the motion which is going to be before the House of any particular value other than one of self-congratulation?

Hon. Mr. Davis: Mr. Speaker, I would hope that it would be more than a motion of self-congratulation, because if the members opposite feel as strongly as I would hope some of them do as to the relevance of this charter, and what everybody is hoping to accomplish here, it would be a case of the members opposite not indulging in self-congratulation but endorsing what I think is a very significant step forward as far as this country is concerned, and what other approach can one take?

Mr. Lawlor: We may have certain reservations!

Mr. Speaker: Has the member for Windsor West a supplementary? He was on his feet.

Mr. Peacock: Not now, Mr. Speaker.

Mr. Sopha: No participatory democracy there.

Mr. MacDonald: A supplementary question: Did I understand the Prime Minister correctly to say that the resolution would be brought before this House only in the event of unanimous endorsement? If so, would the Prime Minister not agree that this nation will face a serious enough situation and that it would be useful to have this House express its views in the event that there is not unanimous endorsement?

Hon. Mr. Davis: Mr. Speaker, as I say, the understanding was that if there is endorsement by all governments including the federal government before or on June 28, I person-

ally will be going the route of presenting a resolution incorporating the charter for debate here in this House.

As to the possibility of there not being acceptance by all governments of Canada, whether any useful purpose would be served in us then discussing something that has not been agreed to, I think is debatable.

Mr. MacDonald: We could discuss where we might go from here.

Hon. Mr. Davis: But, Mr. Speaker, at this moment in time I think it is very important that we all do this, take a very positive position as it relates to the acceptance of this charter by everyone. I am not considering what alternatives might or might not be available.

Mr. Speaker: Further supplementaries?

Mr. Lewis: By way of further supplementary, Mr. Speaker, what does it really mean to a province like Quebec to be given concurrent jurisdiction with provincial paramountcy in family allowance, youth allowances, and manpower allowances, without a cost-sharing provision from the federal government or fiscal equivalence? Does the Premier think it is sufficient to give Mr. Bourassa the wherewithal he needs to have it approved by his government?

Hon. Mr. Davis: Mr. Speaker, I am really very intrigued by the question from the leader of the New Democratic Party. I mean I quite honestly do not know. This is something that Mr. Bourassa himself will have to determine. I cannot make this judgement on his behalf nor would I presume to do so.

Mr. Lewis: May I ask by way of supplementary: Would I be right to suggest that perhaps the question of monetary contribution was discussed, and if so, did Ontario have a position on it in terms of these specific social security areas?

Hon. Mr. Davis: Mr. Speaker, I am not sure that this is really a supplementary situation. The whole question of fiscal transfers and redistribution or distribution of powers was obviously discussed, because the communiqué or the statement of conclusions included—and I cannot give the exact phraseology—matters of fiscal arrangements, tax sharing agreements, tax reform and equalization, and will be matters on the agenda at an early meeting of the first ministers. So quite obviously it was discussed.

Mr. J. Renwick: By way of a supplementary question—

Mr. Speaker: There will be a supplementary from the member for Riverdale and then I think we should close off any further supplementaries.

Mr. J. Renwick: Within the framework of the very positive approach which the Prime Minister desires us to adopt in relation to the charter, does he not agree that in the importance of the adoption such a charter deserves some detached critical observation and analysis upon the terms of what this government is proposing? And if so, will the government table for the convenience of the members any position papers adopted or taken by this government at the conference in Victoria?

Hon. Mr. Davis: Mr. Speaker, I think it is doubtful that we will table position papers. What has emerged from the conference is a charter which first ministers have agreed to take to their respective governments where there was a consensus as to the content of that particular charter. And I think really, Mr. Speaker, our debate should relate to the contents of it, what we see by way of the future and not necessarily the determination of some of the positions put forward by some of the provinces which were discussed at Victoria and, of course, prior to that. I do not see what purpose would be served, Mr. Speaker.

I think the members of this House should express their points of view as to the contents of the charter itself. If they have reservations, if they feel that it is wrong, then surely to heavens they have not only the right but the obligation to say so. I would like to think that the majority of them will feel that way.

Mr. Lewis: It would be nice to do it in advance of the event, rather than a fait accompli.

Hon. Mr. Davis: Mr. Speaker, the members opposite will have at least—

Mr. Lewis: It is nice to participate in these things.

Hon. Mr. Davis: —at least until June 28 because there will be no—well, I should not say there will not be any determination; perhaps all governments will have made their views known before the 28th, and it is my hope that we could call this matter for discussion and that I would be presenting a formal resolution prior to summer holidays.

Mr. Lewis: Very private—

Mr. Sopha: Mr. Speaker, by way of supplementary and to sharpen the focus on the question of the leader of the New Democratic Party, would the Premier not agree that if he took the position of provincial paramountcy in those three areas of social security measures enunciated, he would treat the cost-sharing aspect as fundamental to their success?

Hon. Mr. Davis: Mr. Speaker, Ontario really has taken no position as it relates to the amendment of section 94(a).

Mr. Lewis: That is true.

Hon. Mr. Davis: To our province it means that this will require and will receive some detailed consideration as to the economic implications. Section 94(a), as the leader of the New Democratic Party pointed out, does not contain any references to fiscal equivalents or transfers—

Mr. Sopha: But the Premier would want the money?

Hon. Mr. Davis: —nor was there any indication that this would be forthcoming.

So, Mr. Speaker, as it now stands, whether 94(a) would be attractive economically to the Province of Ontario is problematical; we do not know this and we will make the assessment. But without fiscal transfer, I think there is some doubt.

Mr. Lawlor: How can the Premier be so positive then?

Mr. MacDonald: He may have left no alternative then.

Mr. Speaker: I wonder if the Leader of the Opposition and the members would allow me to interrupt the question period, because today is the day of very illustrious and important visitors and the Minister of Education has an introduction which I think we would like to have.

Hon. R. Welch (Minister of Education): Mr. Speaker, may I introduce to the members of the House, guests in your gallery, the hon. Mr. Sandiford, Minister of Education for Barbados, accompanied by Mr. Rudolph Goodrich, the chief education officer for Barbados, and Mr. Taylor, who is a counsellor with the Barbados high commissioner. I am sure we welcome these special visitors who are here today meeting with the officials of The Department of Education as part of their week-long meeting.

FEDERAL BUDGET IMPLICATIONS FOR ONTARIO

Mr. Nixon: Mr. Speaker, I would like to ask the Treasurer one or two questions further to the statement that he made on the federal budget. In the review that he has been able to accomplish already, is there an indication that with the tax reduction in the personal income and corporate income fields the net budgetary revenue which Ontario expects to get during the next year will be something less than \$1,070,000,000—I believe that was the figure in the budget?

Hon. Mr. McKeough: Our determination at this point is not anywhere far enough along to give a definitive answer to the Leader of the Opposition. I would expect it would be a week or two weeks before we could answer that question.

Mr. Nixon: As a supplementary, is it clear that since the capital gains tax will be assessed at the income tax rates, the revenue from that accruing to the federal government will be shared on the same formula with the provinces?

Hon. Mr. McKeough: Yes.

Mr. Nixon: Was that stated specifically in the budget? I did not see it.

Mr. Lewis: No.

Hon. Mr. McKeough: I do not think specifically, but we have inferred that and I think that is a question that was asked by our officials at the briefing. My understanding about the answer to that question is, yes.

Mr. Nixon: A supplementary question: Has the Treasurer had an opportunity to assess the decision taken by the government of Canada to get out of the estate tax field? Would it be the policy of this government to change our own rates so in fact our revenues would remain unchanged from this source?

Hon. Mr. McKeough: Well, of course, we have been on record for two years, I think, as advocating withdrawal from the estate tax and succession duty fields with the phasing in of a tax on capital gains. Mr. Benson has moved, I think it is fair to say, somewhat more quickly than some of us had anticipated. There is the problem, of course, that with capital gains coming into effect presumably on January 1, the succession duty and estate taxes, if they should both disappear on that date, would mean a loss of something in excess of \$100 million to Ontario revenues.

I think there would be some question, too, of the lack of equity in such an arrangement. Obviously it is going to take some years, I think a minimum of 10, until the capital gains tax matures and is a revenue producer. How long it will take to overcome—to equal—the revenue presently being produced from estate taxes and succession duties, I do not know. That is one of the things that we are determining and until we know that, we are not in a position to determine what we will do on January 1 next.

Mr. Nixon: A supplementary, just for clarification really: The alternatives available would be to increase the provincial rate on the estate tax or the succession duties, as we would call them, so that the revenues would remain the same. Does the Treasurer consider one of the alternatives to leave the estate tax rates at the present low rate or in fact to abandon that source of income provincially?

Hon. Mr. McKeough: Those are both alternatives, and they are alternatives which we will explore. There is the alternative of producing more money. This, of course, is one of the reasons, I may say over the objections of certain members opposite, that Ontario has felt that it was wise to remain in the succession duty field.

Mr. Nixon: If this government had got out of it Canada might have stayed in it.

Hon. Mr. McKeough: If we had got out of it we would not know where we are going to find \$100 million and would have no mechanism to find that kind of change which is the position that the provinces in the west now find themselves in.

I think on reflection the Leader of the Opposition will agree that—

Mr. Nixon: But the government has advocated getting out of it for years.

Hon. Mr. McKeough: Our decision to stay in the succession duty field until this point in time was a very wise one indeed.

Mr. Nixon: But the minister thought the government should have got out of it.

Mr. Speaker, the reason I want to press this point a bit—since some of the tax reductions will become effective July 1 and since we expect the Legislature to be in session now for some weeks—is it possible that the government will recommend a change in—let us say an amendment to—our income tax Act which in fact would leave our revenues at the same level? Or is the province prepared,

as the federal government is prepared, to take a reduction in revenue in the interest of providing more employment? After all, this surely can be a two-headed spear and the Province of Ontario should participate in that regard as well.

Mr. Speaker: The hon. leader has asked his question.

Hon. Mr. McKeough: I would just say, Mr. Speaker, as I indicated in this statement, that our swing from our position of last year to this year proportionately indicates that this government has come to grips with the problem facing this province and this country to a much greater extent than has Mr. Benson.

Mr. Nixon: Mr. Speaker, a further supplementary: Is it possible that the changes in the statutes in the province will have to be accomplished before July 1?

Mr. Lewis: They are all going to Sudbury.

Hon. Mr. McKeough: There are no changes, as I understand it, which would affect us as of July 1. What is happening on July 1 is removal of the three per cent surtax, and through the action of the government of Canada, Ontario never got a piece of that action, if I can put it that way. What happens on July 1 for the most part, I think will only completely affect federal revenues and there will be no implications to our revenues, or if there are they would be very marginal ones, until January.

Mr. Nixon: There is the guaranteed income supplement material; that is taxable. That has been taxable.

Hon. Mr. McKeough: How many people does the Leader of the Opposition know who are receiving the guaranteed income supplement, who are paying any income tax in that area? What rot!

Interjections by hon. members.

Mr. Speaker: Is this a supplementary?

Mr. Lewis: To the provincial Treasurer, by way of supplementary: Since the federal Minister of Finance assumes \$330 million less revenue, how will it be possible for him to go beyond an amount to Ontario similar to a previous year? Are we not likely to receive, in fact, an equal amount of revenue but no greater in view of the total diminished revenue?

Hon. Mr. McKeough: Yes, that is one of our worries. The federal budget would ap-

pear to be accomplishing a good deal and only increasing the deficit by the amount stated by the member. What is not taken into account—and that, I say, to the leader of the New Democratic Party was my first reaction—is the normal growth in revenues of the existing or the new rates; so there is quite a bit to play with, if I can put it that way. We are not entirely sure yet as to what the guarantee means. The guarantee, as we understand it, means that we will not receive less than we are presently receiving, but does it take normal growth into account; we cannot answer that as yet.

Mr. Lewis: A further supplementary: Would this government consider occupying a further portion of the capital gains field, by way of provincial tax, since Ottawa went only to the 50 per cent level?

Hon. Mr. McKeough: That would be very difficult to do, if it were thought desirable, without either a high degree of co-operation with Ottawa or without the mechanism of our own personal income tax.

Mr. Speaker: The hon. member for Downsview has a supplementary?

Mr. V. M. Singer (Downsview): Mr. Speaker, I was wondering if in view of the credit being claimed for the Benson budget by such people as Mr. Stanfield, Messrs. Lewis Senior and Junior, the provincial Treasurer and numerous others, if there is a little room that might be left for Mr. Benson to claim credit for it?

Hon. Mr. McKeough: Mr. Speaker, I want to make it abundantly clear that we on this side of the House are delighted that Mr. Benson has listened so well to the advice that we have given him.

Interjections by hon. members.

Hon. Mr. McKeough: The hon. member for Downsview has enumerated some of those who gave help to Mr. Benson—this government, both Lewises—but he neglected to mention his own party, and how true that is. No contribution to national tax reform whatsoever. Not a bit!

Interjections by hon. members.

Hon. Mr. McKeough: No contribution.

Interjections by hon. members.

Mr. Speaker: Order. The hon. member for York South has the floor.

Mr. MacDonald: I assume, Mr. Speaker, this is a belated contribution on tax reform from the Liberal Party.

Mr. R. F. Ruston (Essex-Kent): You will never make any reforms yourself.

Mr. MacDonald: My question of the provincial Treasurer is this: Since the Ontario provincial Treasurer's initial reaction to the Benson white paper was one of enthusiastic endorsement, then subsequent repudiation, how firm is his assessment that he gave us today of the budget? When will the change come?

Mr. Singer: As firm as anything they do.

Hon. Mr. McKeough: I think, in the calm reflection of his office or study, the hon. member for York South will note the eight-page statement that the Treasurer of Ontario has given today on behalf of the government of Ontario contains a number of hedges—

Mr. MacDonald: I agree.

Hon. Mr. McKeough: And he will also have noted that—and this was somewhat unusual for me—I was very quiet over the entire weekend.

Mr. MacDonald: A further supplementary question: When the Treasurer has had, in the fullness of time, an opportunity to analyse it fully can one anticipate as much of a tirade against it as we got against the Benson white paper?

Mr. Nixon: That depends on how political it is.

Mr. Ruston: It depends on when a provincial election is called.

Hon. Mr. McKeough: We, of course, see it as our responsibility on this side of the House to bring out all the facts and figures.

Interjections by hon. members.

Hon. Mr. McKeough: And I can only say—

Mr. MacDonald: Sometimes they are slow learners.

Hon. Mr. McKeough: If members over there regard the remarks of this government, as contained in the five papers which were presented over a series of time, and the presentations made by—

Mr. Nixon: Three of them in the last two months.

Hon. Mr. McKeough: —my predecessor to the Commons committee—

Mr. Nixon: The Treasurer's predecessor did a good job.

Hon. Mr. McKeough: —I can only say that if we did engage in a tirade, we were very successful on most scores and are prepared to do so again.

An hon. member: A vote in minority.

Mr. Speaker: Has the leader of the Opposition completed? Has the hon. member for Scarborough West any questions?

PLUM HOLLOW CHEESE FACTORY

Mr. Lewis: Mr. Speaker, a question of the Minister of Agriculture. Is he aware that at a meeting of some 100 farmers this morning at Plum Hollow, there was a nearly unanimous request to have removed from office Mr. George McLaughlin, head of the Milk Marketing Board? How would he treat such a request if it was put to him?

Hon. W. A. Stewart (Minister of Agriculture and Food): Mr. Speaker, I was not aware that such a meeting took place nor that such a request emanated from the meeting, nor that it was likely to come to me. So in the case of a hypothetical question, we will deal it with when and if it comes.

Mr. J. Renwick: The meeting was not hypothetical.

Mr. Lewis: The minister's cabinet colleague was present: the meeting is hardly hypothetical.

Hon. Mr. Grossman: I was not there at all. I would find it difficult to find Plum Hollow.

Mr. Lewis: The minister would not be able to find Plum Hollow, I grant him that.

RECLASSIFICATION OF MILK FOR CHEESE PRODUCTION

Mr. Lewis: May I ask a second question? When the Milk Commission met in Athens some months ago they said they would undertake a study of reclassification of grade 5 milk for cheese, and I wondered whether anything has happened to that reclassification study as it affects small cheese producers?

Hon. Mr. Stewart: First of all, it is class 5 not grade 5 milk. This I understand is being considered by the Milk Marketing Board, and what determination has been made of it I am not sure.

Mr. Lewis: Will there be a public announcement of that at the time? Will the Milk Commission be making a specific recommendation?

Hon. Mr. Stewart: It is not the Milk Commission that is making a study of it, it is the Milk Marketing Board, which is charged with responsibility of marketing all milk produced in the Province of Ontario. That is its job on behalf of the producers.

Mr. Lewis: Right.

Hon. Mr. Stewart: They are all producers, including Mr. McLaughlin, the chairman, and I think it is their responsibility to deal with these matters without interference from any of us in this Legislature.

Mr. Lewis: I see; all right. If I may ask the Minister of Health a question before he leaves, can he give us some public indication of the recently concluded health minister's conference and what was decided at it, in his mind? Does he intend to make a statement before the orders of the day at some stage?

Hon. A. B. R. Lawrence (Minister of Health): I had not thought so, Mr. Speaker, but perhaps I should and I will organize my thoughts and do so tomorrow.

Mr. Speaker: The member for Peel South has a question.

LANDING RIGHTS AT TORONTO AIRPORT

Mr. R. D. Kennedy (Peel South): Yes, Mr. Speaker, to the Minister of Transportation and Communications with respect to landing rights at Toronto International Airport. Would the minister put the heat on the federal Department of Transport to remove the antiquated restrictions on landing rights of foreign airlines, such as Alitalia, Lufthansa and certain other ones?

An hon. member: It is not a new idea.

Mr. Kennedy: Well, it must be a new idea in Ottawa, because it was brought up two years ago and it has taken them all that

length of time to even begin to get in a hurry.

Interjections by hon. members.

Mr. Speaker: Order.

Mr. Kennedy: These restrictions still apply to Toronto International Airport, and they have caused unnecessary hardship and expense to a great many new arrivals from across the ocean whose most convenient point of arrival and departure is Malton.

Mr. P. J. Yakabuski (Renfrew South): Great discrimination.

Hon. C. S. MacNaughton (Minister of Transportation and Communications): Mr. Speaker, I should thank the hon. member for having given me notice of this question.

Interjections by hon. members.

Hon. Mr. MacNaughton: That is better than many do, I can tell you that.

Mr. MacDonald: It is a good thing the minister did have notice; he would not have known anything about it.

Hon. Mr. MacNaughton: I might have known something about it, but as a result of having received notice, Mr. Speaker, I can give a better answer than I might otherwise have done.

It should be well known, I think, that both the present and former Prime Ministers of Ontario have submitted strong requests to the federal government for expansion of carriers' rights into Malton in response to the widespread concern over the limited international service provided out of Toronto. I might add to that and say that I would hope that everybody in this chamber is concerned about it. We have also reviewed the question with the Metro Toronto Redevelopment Advisory Council and other organizations which have been concerned about restrictive service available at Malton.

The federal government has indicated that additional service will be permitted when facilities are expanded to relieve the existing congestion at Malton, and that expansion programme is now under way. So I hope I can assure the member for Peel South and everyone else that we will continue to press for our increased service at Malton in the context of our continuing discussions with Ottawa on air transportation policies.

Mr. Speaker: A supplementary? If not, the member for Sudbury.

SWAMP FEVER AMONG HORSES IN SUDBURY AREA

Mr. Sopha: Mr. Speaker, I should like to ask the Minister of Agriculture—he being aware of the high incidence of swamp fever among horses in the Sudbury area—in such case—

Mr. M. Gaunt (Huron-Bruce): He was not until now.

Mr. Sopha: —what are he and his officials in his department doing to contain this malady among the horse population?

Hon. Mr. Stewart: Mr. Speaker, first of all I was not aware of the incidence in the Sudbury area, but I am very much aware that it has been a very common disease of horses for a number of years, inasmuch as the Canadian Standardbred Association has met with us a few years ago and has contributed a sizable amount of money to the research into swamp fever among horses. This programme in equine research is under way at the University of Guelph. Our department contributes a certain amount toward it, as well as a part of the research budget of our department. It is a very difficult situation and it is a very difficult thing to contain, but a good deal of research is going on at Guelph and has been for the last couple of years.

Mr. Sopha: By way of supplementary, could the minister give us the assurance that he will ask his officials on the spot to make a report to him about the outbreak of this malady at Sudbury and, having received that report, will he give the assurance of his personal attention by way of remedy or its containment?

Hon. Mr. Stewart: I will certainly look into the situation. I am not so sure I could give my personal assurance that I can contain it or cure it but we will certainly have a look at it.

Mr. Speaker: The member for York South.

DENIAL OF INFORMATION TO SHAREHOLDERS

Mr. MacDonald: A question of the Minister of Financial and Commercial Affairs. Since the auditor of a corporation is deemed to be the servant of the shareholders, serving their interests, what right has a corporate

management—such as was the case this past week with Standard Paving and Materials—to deny information to the shareholders at an annual meeting of the fee paid to said auditors?

Hon. A. A. Wishart (Minister of Financial and Commercial Affairs): I do not know, Mr. Speaker, that they have an obligation to furnish that information. One would have to look, I think, at The Corporations Act to give an exact legal opinion. I know there are certain requirements of disclosures to shareholders, there are certain limitations or exceptions or ways, but I cannot answer what is a specific, almost legal question, without checking it with the Act and perhaps some case law. I will get the answer right away.

Mr. MacDonald: Will you? Thank you.

Mr. Speaker: The Minister of Municipal Affairs has a reply to a question asked last week.

COTTAGE OVERDEVELOPMENT AT BOBS LAKE

Hon. D. A. Bales (Minister of Municipal Affairs): Mr. Speaker, last week the hon. member for High Park asked a question in reference to a letter to my department from The Department of Lands and Forests of last September. I looked up that letter which concerned Bobs Lake, and it was his letter of information, only providing my staff with a comparative analysis of the situation between 1961 and 1970, which is for information purposes only and did not require a reply. But it is being used by my department in considering the summer resort applications in that area.

Mr. Speaker: A supplementary? If not, the member for York Centre.

Mr. D. M. Deacon (York Centre): A question of the Minister of Transportation and Communications if he could be in his seat.

Mr. Speaker: He is not in his seat. The member for Waterloo North.

Mr. Good: My question, Mr. Speaker, was of the same minister.

Mr. Speaker: The member for Windsor-Walkerville.

SHORTAGE IN WINDSOR OF CHRONIC CARE FACILITIES

Mr. B. Newman (Windsor-Walkerville): Mr. Speaker, I have a question of the Minister of Health. In light of the acute shortage of chronic care facilities in the city of Windsor and in light of the fact that the Riverview Hospital is undergoing extensive changes, will the minister send officials of his department down to consult with the board of Riverview Hospital in an attempt to discuss the acute shortage of chronic care facilities?

Hon. A. B. R. Lawrence: Yes, Mr. Speaker.

Mr. Speaker: A supplementary?

Mr. B. Newman: A supplementary of the minister. Would the minister inform as to when he would be sending officials down?

Hon. A. B. R. Lawrence: Yes, Mr. Speaker.

Mr. B. Newman: When is that?

Hon. A. B. R. Lawrence: Well, I will inform the hon. member as soon as I can find suitable dates.

Mr. Speaker: The member for Thunder Bay.

THERAPEUTIC ABORTIONS

Mr. J. E. Stokes (Thunder Bay): Thank you, Mr. Speaker, I have a question of the Minister of Health. Is the Minister of Health aware that nurses in the Ajax-Oshawa-Toronto area are under considerable pressure to assist with therapeutic abortions and are living under constant fear of dismissal for failure to comply?

Hon. A. B. R. Lawrence: No, Mr. Speaker, I am not aware of this. But I might take this opportunity to point out to the hon. member that in relation to those hospitals in Ontario which are controlled or oriented by particular religious groups, for example, those which have an historic or a Roman Catholic background, there is no intention on my part or the part of this department to force them into undertaking therapeutic abortions against the will of the hospital management or administration or boards, nor, on the other side of it, will I intervene with regard to non-sectarian or general hospitals.

Mr. MacDonald: Fair enough.

Hon. A. B. R. Lawrence: On the opposite side of the question, I say this against the

background of the fact that generally speaking in the Province of Ontario our facilities for the purposes of performing therapeutic abortions are adequate, there are some inconveniences but broadly speaking, the facilities are adequate. And until I find that they are not I will consider this a question to be avoided at any cost.

Mr. MacDonald: An appropriate reply in a pluralist society.

Mr. Stokes: A supplementary question: Will the minister then assure the nurses who fail to comply that they will be given protection—either by legislation or otherwise—against dismissal for failure to comply?

Hon. A. B. R. Lawrence: No, Mr. Speaker, the purport of my remarks was that in this context I will leave the decision to the board of the hospital involved.

Mr. Speaker: A supplementary?

Mr. I. Deans (Wentworth): Mr. Speaker, by way of a supplementary question: Will the minister consider including this particular problem in his review of doctor procedures and admission procedures and hospital general procedures and staff problems of hospitals that he thought he might be undertaking in the near future? And is the minister aware that at the present moment there is a case involving a nurse in Hamilton already before the Human Rights Commission, because she was fired from her job at the Hamilton General Hospital as a result of her refusing to take part in an abortion procedure in the hospital?

Hon. A. B. R. Lawrence: I think this would probably come within the scope of the kind of inquiry that I have been discussing or intimated that I would like to get under way. Yes, I think I can accept that undertaking to ensure that this question is studied, if and when I am able to announce a general question of study, staffing and staffing policies.

Mr. Deans: Might I, by way of final supplementary—

Mr. Speaker: This will be the final supplementary on this question.

Mr. Deans:—ask the minister if he would be kind enough to inform the hospitals in the Province of Ontario that this matter is going to be studied and perhaps advise them not to take action until such time as the study is completed?

Hon. A. B. R. Lawrence: I would think, Mr. Speaker, that that might very well be misinterpreted; therefore, I think I will leave it with a letter of instructions to that particular person or persons who will be inquiring and reporting.

Mr. Speaker: The member for Waterloo North.

LIGHTING ON HIGHWAY 10

Mr. Good: I have a question of the Minister of Transportation and Communications. Could the minister inform the House whether the elaborate lighting on both sides of Highway 10, north of Highway 5, will be continued all the way up into the town of Brampton?

Hon. Mr. MacNaughton: Mr. Speaker, I cannot inform the hon. member nor the House, but I shall find out and let the hon. member know.

Mr. Good: While the minister is finding that out can he also find out what is the purpose of lighting the highway going north toward Brampton on both sides?

Mr. Nixon: It has not been done since T. B. McQueston was minister.

Hon. Mr. MacNaughton: Mr. Speaker, I presume the hon. member would know what the purpose of lighting any highway is.

Mr. Good: A supplementary: Is it a new policy of the department to light provincial highways on both sides in rural areas?

Hon. Mr. MacNaughton: It is in those areas where lights relieve traffic prone situations, facilitate turning movements, or whatever is required for that purpose.

Mr. Lewis: Or where there is a royal procession.

Mr. Speaker: The member for York Centre.

Mr. Good: I guess all roads lead to Brampton now, instead of London. Is that the idea?

Hon. Mr. MacNaughton: There is some truth in that.

Mr. Good: As to where the roads lead? The minister is quite right.

Mr. Deacon: A question of the minister of—

Mr. Lewis: Now, now, do not be petulant.

Mr. Nixon: What is the minister still doing in the government?

RAIL SERVICE IN TORONTO AREA

Mr. Deacon: A question of the Minister of Transportation and Communications: In view of the recent decision of the Board of Transport Commissioners ordering the CN to upgrade the service to Stouffville and intervening northeastern points of the city, will the minister request the board to order similar rail service be provided to the northwestern section of the city, north and northwest of the city, especially in view of the Spadina decision?

Hon. Mr. MacNaughton: Mr. Speaker, I would have to suggest to the hon. member that the provincial government has no authority to order the board to do anything. The only way, actually, and it—

Mr. Deacon: The question was "request" the board.

Hon. Mr. MacNaughton: Request? Even a request will not be entertained. It might be taken into the records for consideration purposes. But regretfully—

Mr. Deacon: It never hurts to request.

Hon. Mr. MacNaughton: Mr. Speaker, I wonder if the hon. member will allow me to answer his question?

The regrettable aspect of the whole situation is that wherever relief is required, shall we say, for the continued operation of a rail line, the railway must request abandonment to obtain any relief, and frankly I think that almost precludes the validity of any request that might be made, unless it is in terms of an intervention before the board.

We are intervening in all these hearings as has been stated in this House. But this makes it possible for me to say—in expansion of an answer to your question—that the whole process in my opinion is negative.

It seems to me—if I may expand on it a little bit—that all a railway should be obliged to do before the board, if it wishes to get out of providing service on a line, is show cause as to why it should, in terms of operational profits or otherwise. But to have to proceed to the board and propose an abandonment first before they will even consider the granting of any subsidy assistance, is a very, very backward procedure, in my opinion.

Mr. Deacon: A supplementary: Would it possibly be because the railways have failed to show, in their operations up to this time, that they have done anything to build the service and serve the public, and therefore there is perhaps a missing service that is not being provided?

Hon. Mr. MacNaughton: That is quite possible, but it seems to me that it is not too late to change the procedure now, rather than have to go through this process of requesting an abandonment before their whole application will be considered, which is a very negative way to approach it.

I would be of the opinion that a simple show-cause situation as to why they are not making money or why they are losing money—and even to substantiate that probably their own level of service has not been good enough, and that they are prepared to consider improving it if they can obtain assistance—would be a much more positive way to approach the situation.

Mr. Speaker: The member for Yorkview.

Mr. F. Young (Yorkview): A supplementary question, Mr. Speaker: Since the province obviously cannot take action in this field, is the provincial government seriously considering the extension of the GO Transit line to the northwest area of Metropolitan Toronto?

Hon. Mr. MacNaughton: Mr. Speaker, the provincial government at the moment is actively considering the expansion in one form or another, of certain lines, but only, I would suggest, if a proper partnership and relationship can be established with the railways involved, and indeed the federal government.

We do not think that this should be totally a provincial responsibility, notwithstanding that we did get into the lakeshore line. We believe that this should all be worked out in concert with the other authorities, based on a joint determination of the levels and form of service that is required. On that basis we are prepared to move, and move very vigorously.

Mr. Sopha: That is what we said at every hearing we attended. Every hearing we attended, we said that.

Hon. Mr. MacNaughton: Yes, I concur with that.

Mr. Gaunt: A supplementary, Mr. Speaker: Has the minister or any official within the department made representations to Ottawa from the point of view of trying to get the Act changed, insofar as its application for abandonment is concerned, from abandonment to show cause as the minister is indicating?

Hon. Mr. MacNaughton: Mr. Speaker, I cannot speak with any specific knowledge on that. I can only suggest to the hon. member that will take place very shortly.

We have been in consultation with the railroads, particularly with the Canadian National Railways, and I think I can in fairness, say to the hon. member and the House that the railroads would prefer it this way.

Mr. Speaker: Further supplementaries? The member for Sandwich-Riverside.

POSSIBLE CANCER-CAUSING PROPERTIES OF HORMONE FED TO CATTLE

Mr. F. A. Burr (Sandwich-Riverside): Mr. Speaker, a question of the Minister of Agriculture and Food regarding the artificial hormone known as DES, or stilbestrol, which is fed to cattle as a growth stimulant: Because of the increasing evidence of its cancer-causing properties, is the minister reviewing the wisdom of its continued use in Ontario for cattle to be used for human consumption?

Hon. Mr. Stewart: Mr. Speaker, this matter is under constant consideration and observation by the Food and Drug Directorate of the government of Canada, with whom we work very closely. There has never been the slightest indication that the amount of the drug fed to beef cattle has in any way contributed the slightest degree to the point which he raises today. And to my mind, Mr. Speaker, if I may be permitted to say so, the hon. member has rendered a disservice to the beef industry of this country by even making that suggestion.

Mr. Lewis: Oh stop that!

Mr. M. Makarchuk (Brantford): Get off that!

Mr. J. Renwick: The minister is not permitted to say so if—

Mr. Lewis: Mr. Speaker, you should reprimand the minister.

Hon. Mr. Stewart: The hon. member wants to destroy the beef industry in this province by such insinuations.

Interjections by hon. members.

Mr. J. Renwick: The minister had best get back in his chair, he will fall off it one of these days.

Mr. Speaker: Petitions.

Presenting reports.

Motions.

Introduction of bills.

SURVEYS ACT

Hon. Mr. Brunelle moves first reading of bill intituled, An Act to amend The Surveys Act.

Motion agreed to; first reading of the bill.

Hon. R. Brunelle (Minister of Lands and Forests): **Mr. Speaker**, this bill makes a number of remedial adjustments to The Surveys Act, which deals with the conduct of surveys of land across the province.

Mr. Lewis: A point of order, **Mr. Speaker**. I had understood that the Provincial Secretary had a number of significant amendments to liquor legislation.

Mr. Speaker: I was so advised also.

Mr. Lewis: I take it the announcement substitutes for the amendment, is that it?

Hon. Mr. McKeough: He has gone to a press conference.

Mr. Lewis: Oh has he?

Mr. Speaker: Yes, the Provincial Secretary had advised **Mr. Speaker** that he had two bills, I believe, to introduce today, but I do not see him.

Mr. Lewis: Well, I understand that press conferences take precedence over mere House business.

Mr. Singer: He may have discovered another two celebrations?

Mr. Speaker: Orders of the day.

Clerk of the House: The 24th order, House in committee of supply; **Mr. R. D. Rowe** in the chair.

ESTIMATES, DEPARTMENT OF MUNICIPAL AFFAIRS

(continued)

On vote 1402:

Mr. Chairman: The estimates of The Department of Municipal Affairs, vote 1402. I believe we were discussing item 2 of that vote. The member for Wentworth.

Mr. I. Deans (Wentworth): Thank you.

Before we discuss anything further on assessment education, I was wondering if the minister had been able to get a copy of the assessment book and of the form that is used by the assessors when they go out to assess properties during the present reassessment programme? He said on Friday that he would get one. I would like very much, if he has it, if he could perhaps read to us what it is they look for so that we can talk more intelligently about it.

Hon. D. A. Bales (Minister of Municipal Affairs): **Mr. Chairman**, I brought some blank forms with me and I thought perhaps if I sent one across to the member, it might assist.

Mr. Chairman: The member for Waterloo North. Does the member for Waterloo North have a question?

Mr. E. R. Good (Waterloo North): Yes, continuing with the matter of assessment education, I am wondering if any progress has been made in the training—I believe there were students involved last year—of those who do the assessment work during the summer for the residential voters' list?

The sample of work I saw last year left a great deal to be desired. It was my understanding that many of these people were sent out with just two days training or two days instruction. When the final roll was returned to the municipality, in some instances it was not of the standard which a municipality was used to and they had their own assessors doing the work.

I think that perhaps there is validity in the idea that has been embraced of having part of the assessment job, or the census part of it, done by students during the summer months. But I am wondering if the seriousness of this has been brought to the attention of the department and the regional assessment officers because the municipalities depended a great deal, depended entirely, on the residential voters' lists for their municipal elections that fall—I wonder

if there has been any change in the amount of training given to these people before they go out?

I have a long list of other questions too.

Hon. Mr. Bales: Mr. Chairman, a year ago was the first occasion on which the enumeration was carried out by the department. We found that what had been done by the municipalities left much to be desired. We hoped that quite a number of those who were trained a year ago would have been available again this year. A number were, and with that extra experience I think they have done a better job. That is the object of it all, to have a trained group of people upon whom we can call to do the kind of work as is necessary.

We have increased the length of the training and, I think, improved the general situation this year. I hope the effect of that will show up.

Mr. Good: Mr. Chairman, I sincerely hope so, because I think last year it was not done as thoroughly or as well as it might have been.

As for the other questions regarding assessment education, perhaps some, of these could be broadly figured in assessment standards.

What I am interested in is what work is being done, or the progress being made—let us put it that way—by the various committees that are studying such things as golf club assessment, the assessment of railroads, farm assessment and things of this nature.

I think there are standing committees made up of various officials across the province, plus departmental people who for instance are looking into the whole matter of fixed assessment on golf courses. Could we have a report on the work of that committee up to now?

Hon. Mr. Bales: The golf course committee really started its work just a little over a year ago, about March, 1970, and it is a complex matter. The committee has been working on it, and actually there are quite a number of golf clubs on that. I think the study work has been largely completed, but the report has not been finalized or submitted to the department as yet. But we have to bear in mind that of some nearly 500 golf courses in Ontario, only about 25 have a fixed assessment under the provisions of which one can do that. So a very large number come under the general provision of assessment in the normal way.

I simply do not have the report of the committee as yet, but I anticipate it in the next couple of months.

Mr. Good: Mr. Chairman, could the minister inform the House whether anything is being done by the committee, in its interim report, or wherever this is done, about cases where golf clubs are unable to get a fixed assessment from the municipality? I think in the areas close to cities, especially in the metropolitan area, it is either going to be a matter that these golf clubs are going to have to remain as golf clubs in perpetuity on a fixed assessment, or the economics of it are going to drive them out of being a golf club and they will have to be developed as residential.

Personally, I feel a private golf club in the middle of a built-up area is a good thing. Any open green space is good, and I would hate to see economics force them all out into residential or other types of development. I understand that there are instances where they are entirely at the mercy of the municipalities—and if I am not mistaken The Municipal Act provides for no recourse or no appeal for the golf club which is unable to work out a satisfactory fixed assessment basis with the local municipality. Is that not correct?

Hon. Mr. Bales: That is correct.

Mr. Good: That is the point. Does the minister know, Mr. Chairman, whether that particular point is being considered, whereby maybe in cases where a municipality is creating a tremendous hardship on a golf course which could eventually result in the sale of that course for development, whether there will be a few more safeguards in there to make the municipality look at it maybe from a little different point of view, rather than from just the straight economy of it?

Hon. Mr. Bales: Mr. Chairman, it is my understanding, and I anticipate that the committee will make submissions or express views in reference to that particular matter and what should be done about it, because at the present time it is entirely, as the hon. member says, a matter between the golf club and the municipality itself. So I am looking for an expression of views on that matter, perhaps possible means of an appeal beyond there, if necessary.

Mr. Good: There are two other factors which have been highly unsatisfactory from a municipal point of view. One is the tax de-

rived from fixed railway assessment, which I think is fixed for a five-year period, or the tax is fixed for a five-year period. The other one, of course, is the unsatisfactory condition relating to the assessment of telephone companies within a municipality. I know the Act was changed at the time, which did help to a certain extent. My understanding was that it was because of a federal-provincial agreement that the assessment on telephone companies remains as it is within certain limits, and that as the mill rate changed, naturally the municipality is bound within certain limits. Consequently, many municipalities have lost a considerable amount of revenue from the change in mill rate on reassessment.

If this is going to continue when reassessment at market value is done on a province-wide basis, there are going to be a great many municipalities lose revenue because with market value assessment, theoretically, the mill rate should go down substantially. This, of course, has worked to the detriment of municipalities. The telephone companies were tied to mill rates before. I am wondering what studies have been done on this matter?

Hon. Mr. Bales: Mr. Chairman, taking them in reverse order and beginning with the reference to Bell Canada. The municipalities are limited to a percentage of gross receipts—I think it is five per cent. That involves a federal government situation. We cannot change it without them making the necessary change.

In reference to the assessment of the railway property; that is under consideration at the present time within my department and my officials have been discussing it with me. I anticipate, I hope, we will be able to make some change there. But not in reference to the Bell Canada matter unless we can obtain federal agreement on it.

Mr. Good: Mr. Chairman, this was the matter which we discussed a year ago, the fact that there is this federal agreement and a limit to five per cent assessment on gross receipts. As the mill rate dropped, say, from 80 mills to 20 mills the municipalities are going to lose a lot of revenue because they cannot change that assessment on Bell Canada because it is tied to receipts, rather than other things.

The point is this; if this is going to be so detrimental, what is the matter with the provincial government getting an agreement with the federal government that is up to

date in view of our present practices and not tied to practices which existed previously? Now we have an agreement where some municipalities are assessed at market value and others are assessed at a fraction of market value. When your complete assessment comes out it means that everybody is going to be adversely affected with the telephone companies. This should be changed before that.

Mr. Deans: Mr. Speaker, if I may for a moment pursue the matter raised by the hon. member for Waterloo North. Last year I raised this matter at least three times with the previous Minister of Municipal Affairs. I was informed on each occasion that it was being actively studied and that there would be some conclusion arrived at.

The situation at the moment is that those municipalities which reassessed prior to the provincial takeover are now faced with a rather difficult situation. Their revenue from the utilities, particularly Bell Canada, has dropped by perhaps two-thirds in many instances as a result of reassessment to full market value. During the estimates last year and prior to the estimates last year I was informed that the department was actively working on the problem and that a solution would be found.

Mr. Good: That is what we were told.

Mr. Deans: Is the minister now saying that what was said last year is not true, and that, in effect, there has been nothing done during the last 12-month period, and that we are in exactly the same situation today as we were in during the last estimates?

Hon. Mr. Bales: I did not say that what was said last year was untrue. What I said to you is that a solution has not been found. There has not been an actual change made in that with the federal people. What was said last year was not untrue at all.

Mr. Deans: Then let me ask the minister what attempts have been made, what avenues have been explored by the department to try to correct this imbalance? What proposals have been made to the federal government? Have they been rejected? What form did the proposals take?

Hon. Mr. Bales: The point is simply this, that they are assessed on a basis of gross receipts—we are dealing with Bell Canada—they are assessed on a basis of gross receipts.

The limit is set at five per cent. Now you have to assess that, and our people have been doing this, to see if there is an unfair situation. They have been carrying out a fair amount of research in this area. We have not got the complete answer to that. They have been in discussion with Ottawa on it, but the conclusions are not such that Ottawa is willing to make any change at the present time. You know that there is a five-year tax review on these matters and in 1974—I think that is the year—there is a further tax review and reference to the Bell Telephone comes up. But at the present time there is no agreement as to a change in this regard and this is the answer I gave. It is not that we are not endeavouring to do so, or not that we are not trying to follow the research that was initiated a year ago.

Mr. Deans: I am going from memory, and it is some time ago since we last discussed it, but I seem to recall that there was a formula which took into account the established mill rate and that the change in the assessment would, in effect, since we went to 100 per cent of the assessment, reduce the mill rate by the equivalent amount in order to arrive at the same figure.

Hon. Mr. Bales: It would be reduced.

Mr. Deans: Reduced, yes. If it were previously done at 30 per cent of the market value and we went to 100 per cent, we would expect that the actual mill rate would be reduced by the relationship between 30 and 100 in order to come to the same amount of money. We would expect that when working out the formula for taxing utilities—particularly Bell Telephone, but taxing utilities in general—it would take into account a multiplication by the existing mill rate.

As I recall, the situation was that, because of the change due to reassessment, municipalities were losing a reasonably substantial portion of their previous revenue from the utilities. You will forgive me for not having the figures in front of me, but I recall during that discussion that it was agreed by the then Minister of Municipal Affairs (Mr. McKeough) that this was the case, that in effect that this was happening, and that changes were contemplated which would relieve the situation.

That was, as closely as I can recall, what was said during the last estimates.

What happen in 1974 may well be important, but it is not going to compensate the municipalities who have lost revenue and

who have had to levy additional costs on home owners to bring up the revenue to the level required to carry on the work that they have to do.

And my recollection is very clear, of the minister saying that there was going to be a change made, and that change will be made in the foreseeable future. I took that to mean before the next estimates. Perhaps I was wrong. I realize government moves slowly, but I assumed—perhaps wrongly—that would occur sometime during the last six or seven months.

I also want to bring to the minister's attention, in relation to this matter, that one of the municipalities in my riding, upon discovering that this situation was going to affect it, together with the problem over school administration, asked that they be permitted to revert to the previous assessment roll and not use the new assessment until such time as every municipality were reassessed, and until such time as there was a general application of reassessment.

They asked for that permission and were refused about a year and a half ago, and on this basis it would mean that assuming there was a drop in their revenue, they would have to go for a period of up to five years receiving less than they had previously received because of the inability of the department to make some kind of amendment, either in the relationship between Ottawa and the municipality, or between Ottawa and the provincial government, by way of a grant.

Has there been any representation made to Ottawa to date in regard to this matter? What is the status of the studies that have been conducted?

Hon. Mr. Bales: Mr. Chairman, I think what my predecessor said was that a committee was studying this matter. It is not a committee entirely made up of people within the department; it is representing municipalities and others.

The committee, as far as I gather, has not reported on that particular matter. But I think the hon. member should bear this in mind as well that you are dealing here with a matter of gross receipts, of a percentage of gross receipts, so your gross receipts are current. On the assessment side, you are not dealing with 20 per cent of gross receipts or anything of that nature.

Mr. Deans: No, but there is a formula which I do not have in front of me. It is

calculated on the basis of receipts and has something to do with the mill rate. If I had it before me, I could explain, but I just do not have last year's estimates.

Mr. Good: As the mill rates goes down, your tax goes down because the assessment does not change on reassessment at market value.

Hon. Mr. Bales: I looked at last year's estimates. The formula simply is 100 per cent of gross receipts at the particular mill rate for each municipality.

Mr. Deans: Right. Previously with assessment at 30 per cent, of course, the mill rate was considerably higher, perhaps 80 mills, or 65 mills, or whatever you want to say. Now with assessment at 10 per cent, the mill rate is considerably lower and, therefore, multiplied by gross receipts reduces the revenue.

Hon. Mr. Bales: No, just a minute; I am not making a cause for any utility or otherwise, but you have to look at the facts. If assessment in a municipality, say, was 30 per cent previously, then you are still dealing on the basis of gross receipts, which was 100 per cent—

Mr. Good: Yes, but the mill rate was different—

Hon. Mr. Bales: —insofar as the area was concerned. The mill rate was determined—

Mr. Deans: The mill rate was perhaps 65 mills.

Hon. Mr. Bales: The mill rate would be whatever was required, using that assessment, to raise a certain figure of dollars.

Mr. D. C. MacDonald (York South): But your mill rate is now down.

Hon. Mr. Bales: Under this other arrangement, you are still taking gross receipts at 100 per cent, whatever they are, even though assessment may be at current market value, and so on, and you are changing the assessment on land to bring it up to current market value. You cannot really go beyond 100 per cent in reference to gross receipts, unless you are going to say we are going to tax the utilities at 150 per cent or something of that kind.

Mr. MacDonald: The minister is missing the point.

Mr. Deans: One of us is wrong and I have got to find out which one. My understanding is that the gross receipts—the exact formula I do not remember, but let us assume for a moment that it is gross receipts multiplied by the mill rate—the mill rate is arrived at in whatever way they arrive at it, using perhaps 30 per cent of market value as the basis. Okay?

Hon. Mr. Bales: Yes, but you do not use market value in that way. What you are saying is a municipality needs X dollars—

Mr. Deans: Yes.

Hon. Mr. Bales: —to establish or to maintain its operations. You take the total assessment for the area—

Mr. Deans: I know.

Hon. Mr. Bales: —and using that with the total dollars required you come up with the mill rate.

Mr. Deans: Fine; this is true except that the total assessment for the area, assuming that assessment was at a 30 per cent level, is about one-third of the total assessment now using 100 per cent. If you divide the 30 per cent into the total, you receive a mill rate of 67 mills, just for the want of a better figure. If you then take the assessment as being three times as high, although it is in effect the same assessment, and divide that into the total requirement for the area, you come up with a much lower mill rate.

Hon. Mr. Bales: You should have a smaller mill rate.

Mr. Deans: You then multiply that mill rate by the gross receipts to arrive at the figure for taxation purposes, so that we effectively reduced the amount of revenue received from these companies or those utility operations, because we have reduced the mill rate by about one third.

Hon. Mr. Bales: You might, yes.

Mr. Deans: Oh we have—no “might”—we have.

Mr. Good: You have been acting all along.

Mr. Deans: Now a year ago I was assured that this committee was studying it. I am not satisfied now that—surely to goodness, who is on the committee?

How long does it take them to decide whether it is accurate or inaccurate? How

long does it take them to compile the figures from the municipalities and to determine whether or not they are receiving the same amount of revenue as they got before and, if they are not, what action must be taken by the government to recompense them? It certainly should not take them a year. My goodness, you could do it in an afternoon. Who is on the committee?

Mr. Good: Is this the committee that is meeting up at Honey Harbour this week?

Hon. Mr. Bales: One thing you have to bear—there are two points I want to make. First of all, the tax rate must not, when you calculate it on the basis of the mill rate times the gross receipts—

Mr. Deans: It must not exceed five per cent.

Hon. Mr. Bales: It must not, under the current legislation in agreement with the federal people, exceed five per cent of the gross receipts.

In reference to the committee itself: It is made up of one person from industry, two from the municipalities themselves, and three are people in the government.

Mr. Deans: Fine. How often has this committee met in the last year since last time we spoke about this particular problem during the estimates?

Hon. Mr. Bales: I do not know that answer at the moment, but my officials here can tell me or I will be glad to find out. I do not know the number of times they have met in the past year.

Mr. Deans: Would the minister then be able to tell me whether the committee has made any interim reports to the department in regard to their findings?

Hon. Mr. Bales: No, they have not made interim reports. There have been no records kept of their minutes, but they have not come to conclusions and made interim reports to the department as yet.

Mr. Deans: Can I ask the minister whether, when the committee makes its report and I am assuming, perhaps the wrong way but I think not, that they will come to the same conclusions as those of us who studied it one afternoon came to; that, in effect, the municipalities are not receiving as much money as they once were. Will the department then be prepared to reimburse those municipalities for the loss?

Hon. Mr. Bales: No. You are assuming they will receive less. We also have to look at the income they are receiving from a variety of sources, and all of this is part of a change in tax structure.

Mr. Deans: Does the minister think that this change in tax structure, which apparently reduces the amount of revenue received by municipalities from the utilities, is a forward step in the changing of the tax structure that we have been talking about for the last four years in this Legislature?

Hon. Mr. Bales: But you are dealing with one utility when you are talking about Bell Canada.

Mr. Deans: We are talking about Bell Canada at the moment.

Hon. Mr. Bales: I want to see for myself. I want to see what the change is, in dollars, from the sampling of municipalities.

Mr. Deans: Does the minister think it is reasonable that it should have taken something in the order of 12 to 14 months to review this rather simple matter and find out how much they got on the one hand? There are only a certain number of municipalities to begin with.

Hon. Mr. Bales: I agree.

Mr. Deans: Only those municipalities that have reassessed in the last 2½ years. Surely to goodness it is not too much to ask that they could sit down, take those municipalities' revenues, decide whether or not there is more money or less money being received, and make a report to the minister within a 12-month period?

Hon. Mr. Bales: It is like the golf club situation. I am anticipating a number of these to come in with their reports in the very near future. I would like to get these things in; I would like to see what their conclusions are so we can properly deal with them, but at the moment I do not have them.

Mr. Good: One final word on this question: the real problem in this as I see it now. We were told, exactly as the member for Wentworth said, last year on all these problems after The Assessment Act was gone over very thoroughly in 1968 that committees were looking into the half-dozen or 10 problem areas in The Assessment Act, which the minister admitted still existed.

In this instance, where you hang your whole defence on a federal agreement about the five per cent limitation of tax—that the tax may not exceed five per cent of the gross revenue of the province—if that is correct, fine. But if there is going to have to be a change so that when all the municipalities in the province are subjected to the market value assessment, all the municipalities are going to have the loss of revenue—

Hon. Mr. Bales: There are only a certain number involved.

Mr. Good: —if those, when we go to 1974, and they are all going to have this loss, as the few that have already assessed at market value have had. That is real; these were all before us a couple of years ago. We were getting letters from these municipalities last year when the new assessment went through at market value.

I would say you had better start working with the federal agreement now so that we have it in shape by 1974 when everyone will be assessed at market value.

I have several other items which I think—

Mr. MacDonald: Mr. Chairman, before we leave that, if I might: Listening to this debate, my mind goes back to some occasion about four or five years ago when there was a fairly intensive review of this situation and it was generally conceded by everybody, including the government, that utilities, and particularly Bell, were not carrying their fair share of the tax load. In effect, they had the same position as Inco and the mining companies, that somebody else in the community was picking up the tab for them and the government's excuse was that it was locked into this five per cent ceiling.

When you brought in reassessment on a market value basis, it was not your intention to lighten the burden which was already unfairly light; this is an inadvertent result, this is unexpected. My colleague says he is not sure that it is inadvertent, and as a matter of fact he has a point. The longer this government drags its feet, the more one can legitimately come to the conclusion that it is granting an inadvertent bonanza to Bell Telephone just because it happens to be Bell Telephone. They have got away with murder down through the years—

Hon. Mr. Bales: That is not true.

Mr. MacDonald: —in terms of favourable tax structure.

Hon. Mr. Bales: No, what I said to you was it was not true that we were dragging our feet.

Mr. MacDonald: Well, if it was not your intention when you brought in reassessment to grant inadvertently a further tax concession—and that is what it is: a further tax concession to Bell—then you certainly could have moved quickly. It is remarkable how quickly you can move on some occasions if it does not happen to be corporate friends of a Tory government, to at least maintain the present level of taxes. But to tolerate a reduction in taxes that has developed inadvertently because of your move toward a new assessment base, and to say that you are wrestling with this problem after a 12-month period just does not hold water.

Hon. Mr. Bales: Just a minute now. Let us clear this up. The utilities' property is assessed, and their assessment is up the same as everybody else's if it was below current market value.

Mr. Deans: Assuming it was below!

Hon. Mr. Bales: All right, assuming it was below. But we are talking about their land or their installations. Now in addition to the five per cent of their gross receipts—that is an extra tax on the utility—they also pay tax in reference to their land at the increased assessment plus the business tax and this other one.

Mr. Deans: So does everyone else though.

Hon. Mr. Bales: Yes, but you are looking at it as if it were—I mean we have to be fair; you want to be fair—but you are dealing with an installation of a utility whose assessed value would have been increased if it was below the 100 per cent, and that would have increased. When it is business tax, it is based on what their realty tax is, and it would have been increased if the assessment had been increased. Then, in addition, you have got the extra tax which must not be more than five per cent of their gross receipts; and it is related to that. So while I can appreciate the points the hon. member makes, that the gross receipts tax may have been decreased if the mill rate has decreased, in all likelihood there has been some compensating increase because of an increase in the value of their land and installation. That would have taken place.

Mr. MacDonald: Yes, but that is irrelevant.

Hon. Mr. Bales: No, it is not irrelevant. It is all part of the situation. The member said, "If we kept the utilities as they were—and that is not the care, because when you have increased the assessment which is going to bring it up to market value, you increase the assessment on both.

Mr. MacDonald: In reference to this tax, you have kept it where it is.

Hon. Mr. Bales: Well, all right, but not in the—

Mr. Deans: It is irrelevant. It is totally irrelevant. Everyone else was reassessed at the same time and they also pay additional taxes. Everyone else in the municipality pays taxes other than realty taxes and they too were reassessed; there is no compensation made to them for other taxes because their total tax burden became higher. To say that because the one counteracts the other makes it all right, you completely destroy the whole purpose of reassessing in the first place. There is no point in reassessing if you are going to then relieve the tax burden in another portion in order to make sure they do not pay any more than they paid before.

Hon. Mr. Bales: They are still paying that extra tax and they will continue to pay it.

Mr. Chairman: The member for Waterloo North.

Mr. Good: One thing, just so there will be no confusion, are the telephone companies assessed and paying taxes on their land?

Hon. Mr. Bales: Yes.

Mr. Good: Correct? All right.

Hon. Mr. Bales: And business tax.

Mr. Good: And business tax on their land and buildings?

Hon. Mr. Bales: Plus the other per cent.

Mr. Good: Plus the tax on their general revenue? This is in lieu of what? The line installation?

Hon. Mr. Bales: It is in lieu of their machinery and equipment.

Mr. Good: Yes. In lieu of their machinery and equipment, that is fine.

Now I will leave that point, but just emphasize again that many municipalities that have changed to market value assessment in the last two years, prior to the

province taking it over, have certainly lost a great deal of revenue when the mill rate is cut by a third and there is no way they can do it by changing the assessment.

One other point I am interested in about the studies that are going on in the assessment field is, your intentions on coming to a logical, reasonable and equitable conclusion on the assessment of farm property.

The minister knows, and I know, and we all know, that The Farm Tax Reduction Act of last year was a pretty stopgap measure. It was good in the sense that it returned money to the farmer and it recognized the fact that that farmer has to have a large acreage of land—it is the tools of his trade and he cannot carry on business without it—and he got 25 per cent of his tax back. We are all aware of the fact that a great many inequities resulted from this and before we go into them again, this, we were assured last year is a continuing study which has been going on.

Now I do not know whether the minister is aware but those of us who are members are still trying to get rebates from last year and some farmers have not had their farm tax reduction cheque satisfactorily returned to them. Either it has been lost or their farm was coded improperly, which happened in many, many instances.

Hon. Mr. Bales: Mr. Chairman, in reference to the coding, as you know we brought in in the spring of this year an amendment to the regulations to clear that up. Now I have been watching this very carefully, and I think in most instances we have been able to clear it up or get the supplementary assessment put through, and once that is done we will be able to look after it. I have been checking these carefully of late and most of them have been looked after.

Mr. Good: That is right, Mr. Chairman, most of them are cleared up. I still have one from my area that I am working on that has not been satisfactorily resolved.

Hon. Mr. Bales: Well if you would report it to us, we would be glad to—

Mr. Good: They know all about it. I have been phoning them so often now I am beginning to become a pest.

Dealing with the principle of this on-going study in the matter of farm assessments, the minister must surely realize that the present refund of 25 per cent is not a fair and equitable basis. I have said it before and I will say it again, right now, that people are getting

chèques back left, right and centre on land which has not grown a nickel's worth of agriculture produce since they moved in hundreds of years ago into the area.

I have a cheque right here in my purse, given to me by a man who refused to cash it simply because he said: "What business is it of the government if I want 100 acres for a skidoo farm? I want to skidoo on it. And they send me back 25 per cent of my tax money. It is not my idea of fairness."

So there has to be a better method of assessment and taxation devised—

Hon. Mr. Bales: That is right.

Mr. Good: —to recognize the fact that the farmer does have a special problem: first of all because he has a large acreage of land and land is the basis on which we assess and raise so much of our revenue; secondly, of course, because we have so many weighty factors on that assessment and tax, such as education and municipal cost for welfare and this sort of thing, which have no business being on the land to the extent that they are at present. This is what is causing most of the government's problems.

But there have been many theories promoted by farmers themselves and by others who say that they want nothing more than what the man in town is getting. They pay their regular taxes on their house and so much land, and perhaps the barn and farm buildings are assessed at a different rate. I am just wondering now, what progress has been made in this past year?

We have not talked about this for a whole year now since the farm tax study booklet came out, which was based on the means of assessing farmland on its productivity. To many people this sounded very reasonable when you talked about the productivity of land and you assessed it at various levels because of its productivity. Has this been completely thrown out by the government or was that huge sum of money spent in that study of the report? Has that all gone down the drain? What is the direction now that you are thinking of?

All these studies have been going on for years and years but we do not end up with anything which, in my mind, is a logical, systematical and concrete reform in that particular method. I, for one, do not think that that farm tax reduction bill of last year was anything more than a stop-gap measure to satisfy a local group of people who had a legitimate complaint. The government just seemed to say, "We cannot figure out a proper

solution so we will use this in the meantime."

I would like to know what progress this study has made? Could we have a progress report on it?

Hon. Mr. Bales: Mr. Chairman, the hon. member is talking at the same time about assessment and tax and so forth; it is all mixed in together. I can appreciate his concern and it is quite legitimate. But the fact is we are talking about a number of different things all at one time.

There is no question about it. The assessment records, as the province received them from the municipalities all over the province, as related to agricultural land, were in a very bad state. That has been one of the causes of the difficulties which the assessment branch has found in trying to straighten out the situation. Lands were miscoded from agricultural and all other types of purposes. A great deal of land was not even assessed, they found in various places, and all in all the whole thing had to be done over.

The hon. member realizes, I am sure, that there have been a number of test cases, particularly one in reference to the value of farm land and valuing it as such, straight farm land. That decision came out last fall. I think, with the committee, that decision has been of great assistance. I know that we have to have the assistance of technical people in valuing farm land generally, taking into account that decision which, I think, is an important one because it endeavours to establish what is a proper valuation of land.

I anticipate that in the very near future we will be able to finalize this matter in reference to the farm land assessment on some fairly reasonable and equitable basis and on a basis which we can apply throughout the province.

Mr. Deans: Having once done that, having finalized the reassessment, making sure that it is equitable, would the minister make representation to his colleague, the Minister of Agriculture (Mr. Stewart), to make sure that the people who rent farms receive the rebate, rather than the person who owns it?

The people who are renting—not all of course, but certain people I am familiar with who are renting—are not having it passed on. The minister refused to incorporate that particular feature into his bill. Once the reassessment is completed would representation be made by The Department of Municipal Affairs to have incorporated into the

farm reduction regulations a portion assuring that tenants will receive the reduction in taxes?

Hon. Mr. Bales: In the same way as the residential taxes?

Mr. Deans: In the same way as the residential taxes.

Hon. Mr. Bales: I would want to consider it carefully but I will do that.

Mr. Good: The minister has assured us then, in fact, that you are still studying and looking for a better method of arriving at a proper assessment which, in fact, results in the taxation? That is what the farmer is really interested in—the ultimate taxation—but you have better value for the property.

Hon. Mr. Bales: A better value for the property according to farm standards.

Mr. Good: You have a continuing study going on? Could you relate to us whether in fact this will be tied in with the recommendations of the farm tax committee which recommended the soil productivity formula?

Hon. Mr. Bales: Yes, the whole thing will consider the soil situation and also the climatic zone.

Mr. Good: Would this then, Mr. Chairman, go right down the agriculture line until we get to the point of the assessment of lands not used for agriculture nor for anything else—they are just waste lands, and in many cases let us relate them then to lands held by conservation authorities. Now we get to the assessment of lands by conservation authorities and into a problem I feel is somewhat at the low end of the agricultural land problem.

You have marginal lands, lands which maybe have no potential farming use. They are conservation lands but in some instances they just happen to be adjacent to a large city, or a good-sized city or an industrial plaza, and assessors have valued those lands at rates which many conservation authorities feel to be quite excessive, and they say: "Yes, but 10 acres of land right in that particular area is pretty valuable land."

I would think that in a system whereby that land is kept for conservation purposes in perpetuity, that a very nominal type of assessment could be had from it.

Now, granted we know the conservation authority has to pay taxes to the municipality in which it exists, and the conservation autho-

rity has to get its levies from all the member communities and municipalities in the conservation area—and some of these are going to benefit than others as a direct result of getting the taxation on those lands—I am wondering if there have been any studies, or if anyone has looked into the complaints by conservation authorities feeling they are being assessed excessively high?

Hon. Mr. Bales: The practice we follow is to look at land on its existing use, not an anticipated use, and the hon. member referred to lands perhaps lying fallow but adjacent to a city which have perhaps a different potential use. This is what he meant. Now this matter I know has been discussed with The Department of Energy and Resources Management, through conservation there and it is one of the areas being considered and will be worked in with the others. Certainly we recognize that some land may have a very low value from a yield or farming standard.

Mr. Chairman: The member for Kent was wanting to ask a question.

Mr. J. P. Spence (Kent): Mr. Chairman, I would like to ask the minister something in regard to assessment of property in different parts of the province. I have had letters from constituents who are very concerned at the way you are assessing homes and farm properties. I am informed that a couple of your officials from the assessment branch come out and measure up the house and barn or whatever buildings they have and then when they complete it they say to the property owner: "You will have other assessors come out and go through and take a look at the inside of your house." Now when you get the ladies upset, that is not too good.

Mr. R. F. Ruston (Essex-Kent): That is right.

Mr. Spence: And I must say it seems to the average property owner that this is extra cost, more costly. I would like to ask the minister if these conditions do exist. I would think myself that you could have, if your branch is efficient, the two assessors come at once and complete the assessment in one day, because this is annoying some of the ladies in different parts of the province—or, in our area. Maybe this does not happen in all areas, and I wonder if the minister could inform me if this is true?

Hon. Mr. Bales: The point the member raises is perfectly reasonable. What we

would try to do is have the assessors come at one time and do the whole operation. I am sure you also appreciate we have student help to do the measuring and so on.

We have other more experienced people who look at the state of the house, and so on. We endeavour to have them come at the same time, but frankly it is not always possible, and particularly in this short summer period. But you have a good point and I think it should be done at one time. We should not inconvenience people any more than we possibly have to.

Mr. Spence: You will try to improve on it when you get more officials.

Hon. Mr. Bales: Yes, and they will take careful note of your suggestion.

Mr. Spence: I want to bring to the attention of the minister the equalization factor used by your department. We find some municipalities have such a wide fluctuation between taxes one year and the next. We know there are some things that make variations, but there is a wide difference.

One municipality will have a low rate one year, considerably lower, and the next municipality will be away up. And it looks like this factor is just not working or you do not have it working as you would like. But it does make the municipalities very concerned with such a wide fluctuation from one year to the other.

There is an article here in one of the local newspapers. It says:

The equalization factor has again proved itself to be very unequal in an unjust way to compare the taxable resources of municipalities.

You might say this provincially determined factor is largely responsible for pushing rural school taxes beyond any reasonable limit and is now making itself felt at the county level.

It simply does not make sense that a town's share of the county cost should be lower when a fair amount of growth is taking place in a town, while at the same time another town's share is much higher than when there has been very little growth.

The property tax bill in one town this year will be \$80 higher than last year on the average home and \$140 higher on the average farm.

I believe the hon. member for Waterloo North brought a similar question to you, but

it seems to be quite a concern to a lot of taxpayers in different municipalities—the wide fluctuation of taxes one year and the next year considerably down, when some municipalities have not too much growth.

Hon. Mr. Bales: Mr. Chairman, I do not think the equalization factors really vary that much from year to year except in isolated cases. But I had a group from a municipality—not from your area but the north—who came to see me about a month ago, because their factors seemed to be out of line. We found the difficulty there was that the school board had under-levied, and there was a real problem involved. Now it took a fair amount of checking to get down to that—to find the reason—but by and large, if the normal taxation takes place to meet just the current needs, we have found the equalization factors will not vary very much in the same area year by year. If any of these artificial situations come in where there is an under-levying or an over-levying, then it does play havoc with the factors and it will show up a distinct difference.

Mr. Chairman: Member for Waterloo North.

Mr. Good: Mr. Chairman, if I might, there are two points I would like to bring up while we are on the equalization factor.

First of all, I think there is quite some concern among municipalities that the equalization factor is not carried out to any fine detail, say, of decimal or proportion. In other words, the factor is 20 and it goes up one point or down one point—it is really a five per cent increase or decrease. Now, why could not this factor, for instance, be 10 times that amount so you could have it go from 200 to 201 instead of 205 to 210? This would provide for closer scrutiny or closer control over the amount of fluctuation. One point in 20 is a five per cent increase or decrease if it is going to move. The other point I would like to know is—there is procedure I understand, for a municipality to appeal its factor. All right, now, at the present time, will the municipality—

Hon. Mr. Bales: Excuse me—just a minute—that right of appeal has just come, in the last year or so.

Mr. Good: All right. Now the right of appeal for a municipality to appeal its own factor—does that municipality then have access to all the material that was used in figuring out its change in factor, that is

the sale price of homes in its area, the extenuating circumstances in the sales of these homes?

Hon. Mr. Bales: The municipality will be told the individual factor put in to make the calculation and it will have all the information available.

Mr. Good: All right. Now, my second point—I am finished on this equalization—does the municipality have the right to the information within its own area, because this is showing up in the school levies on the county school boards levied on the equalized rateable assessment. If this factor is out five per cent in a small township, by going up one point only, it can make a tremendous difference. Does the municipality have the right of access to the information to see how the rest of the factors within that county area, or county school board area, have been calculated in the regional office? It is kept in regional offices?

Hon. Mr. Bales: It is because the others could have an influence on it and so that information would be given to them as well. Bear in mind that when you are calculating the figures, 70 per cent is based on last year's portion and 30 per cent on this year's so that a stabilizer is built into it.

Mr. Good: Well, that is all very fine but this has some far-reaching effects in such things as library grants and education grants where you get another formula applied on top of a change in equalization factor. In my own area just a couple of years ago, a factor change of only two points meant a third of the library grant being cut off. So it is very critical. The tolerance is very small.

I am getting back to my first point. I would like to hear the minister's comments, Mr. Chairman, on why for instance the factor, instead of being from 20 to 30, could not be from 200 to 300 so there would be smaller degrees of tolerance, rather than having to raise it one whole point or drop it one whole point? This would give you more accurate—

Hon. Mr. Bales: We will test it out I think on a few cases and see how it would work. If it is a better way of doing it, I am completely open-minded.

Mr. Chairman: Member for Welland South.

Mr. R. Haggerty (Welland South): Mr. Chairman, I would like to pursue the two matters the member for Kent and the mem-

ber for Waterloo North were discussing. I happened to attend a District 6 assessors conference in the municipality of Wainfleet this early spring and I enjoyed the session that day and their main topic was PR—public relations! I listened to their discussions very thoroughly in the morning and I was asked to say a few words in the afternoon so I picked up the theme of PR, too, said it should have been PR squared, dealing with public relations and private residence.

The member for Kent had mentioned here about the inconvenience or the sense of, perhaps, insecurity when assessors move into an area, particularly a home.

Some of the women, perhaps, are very uncomfortable when a person enters the home and wants to know what is in that room and what is in that room?

I think it very significant if, when an assessor moves into a home to measure different rooms, and so forth, he cannot make a general assessment of that home. From the minute he steps on to that property, since he is dealing with market values, he must know the assessment.

The point I am trying to get through to you, Mr. Minister, is that once this person says: "What is this room?" in the bedroom of a home—that is strictly private and I think we have a right to privacy guaranteed under our Canadian Bill of Rights. That should be strictly out of bounds to any person.

One of the other questions raised—I think I picked it up in a newspaper article—where some of the people are rather disturbed, is that there is always the question asked: "You have wall-to-wall carpeting in the house, or in this room?"

Mr. Deans: Back to that again.

Mr. Haggerty: I asked the assessors about this and I was informed that we do not assess this. Then why do they ask?

Mr. Deans: That is not true.

Mr. Haggerty: The other question is, "Do you have a washer and dryer in the basement?" They tell me: "We do not assess that either." Then why are these questions asked?

Mr. Good: They assess the plumbing that it is hooked up to. That is why.

Mr. Haggerty: What the assessor should have is a pamphlet telling the property owners what questions they are expected to answer and be asked.

Mr. Deans: That is what I suggested on Friday.

Mr. Haggerty: That is not going to get through to them though, I will tell you that much.

Mr. Deans: Oh, you are reiterating.

Mr. Haggerty: No, this is right.

Mr. P. D. Lawlor (Lakeshore): Keep your assessors out of the bedrooms of this nation.

Mr. R. Gisborn (Hamilton East): Likely read your Hansard.

Hon. Mr. Bales: Pretty reasonable fellow.

Mr. Haggerty: Pardon?

Hon. Mr. Bales: You seem to be a pretty reasonable fellow.

Mr. Ruston: He knows you fellows, though.

Mr. Haggerty: But I think this is what the property owners are expecting. You should give them that pamphlet asking, "We want to know the same things as the enumerators that come around assessing." You have them coming, say, two weeks before, then you have another assessor come in and then you have the qualified assessor that comes in. Three or four of them make the trip. Of course, we know what the enumerators are there for.

The other matter, Mr. Chairman, is the matter of reassessment of farm land and a more equitable system or factor. The member mentioned here about the productivity of the farm assessment. In particular, I am talking about the Niagara region, the farm lands. I sat for a number of years on the Welland county council as a member of the assessment committee, Mr. Chairman, and this was always a very contentious question, farm assessment.

When you have the fruit farmers assessed at \$300 to \$400 an acre and the average farmer throughout the county, and perhaps in both counties now—Lincoln, too—were assessed at \$40 an acre, what a discrepancy. No wonder the fruit farmers in the Niagara area are selling out. You discourage fruit farming by this type of assessment. In one bad spring, a late frost could wipe that man out of his earnings. And yet there is no coverage by municipal taxes. There is no rebate, and yet we find out in The Municipal Act under The Assessment Act, business assessment, there are rebates given back if they are only in operation one or two months of the year.

But in this particular case, a farmer can lose his total income for that year and he is not compensated for it in rebate.

I think this is the field that perhaps the assessors should be looking at in more detail. That farm assessment is more equitable across the province and in this particular area, \$400 to \$40 is quite a discrepancy. I suggest that your department should be looking into this to make a more suitable approach than trying to discourage the fruit farmers from that area. That is perhaps why many of them are selling out today on this basis. I think we should try every effort, by this government, to protect that fruitland in that particular area.

Mr. Deans: I want to ask the minister: I asked him on Friday for a copy of the—I am sorry.

Hon. Mr. Bales: The member has raised a couple of questions. I am sorry we dealt with them on Friday and the member was unfortunately not able to be here, but we covered a number of points that you have raised.

We have started now a procedure whereby rather than putting an announcement in the papers in the district when the assessment people are going there for reassessment, we send individual letters to the homeowners—not personally addressed, but one sent to each homeowner—so that they will be aware that the staff will be coming to their homes in the next two-week period. In that way we are not advertising it to all and sundry that there are people coming to call at their homes, but we are advising the homeowner individually.

We do not assess rugs and so on, floor coverings, in the area—I explained this on Friday and at that time I gave to the hon. member for Humber (Mr. Ben) a pamphlet we have, explaining the assessment procedures, which is frequently given to the homeowner as a guide or as assistance to him. We think it is wise and certainly necessary to communicate with the public as much as possible about this, and this and other things is what is being done.

Mr. Deans: Mr. Chairman, the minister says you do not assess for rugs. But it says on your assessment sheet under floor finish: "hardwood"—I assume the sw is softwood, I am not sure—"tiles or broadloom." What is broadloom? If that is not a rug what is it?

Mr. Good: If it touches the walls—they assess it.

Mr. Deans: I have always been under the impression, and I still am, in spite of what you tell me, that you assess for broadloom. It says so right on your own assessment sheet. Have a look under room and interior finish detail, floor finish, the fourth item—"bdlm." If that is not broadloom I do not know what it is.

What happens if a person has hardwood and has broadloom over the top? Are they doubly assessed?

Mr. Ruston: What happens if they do not have any hardwood underneath?

Mr. Deans: This is the point. I would like to ask the minister anyway. I have been reading the sheet with some interest. I want to know first of all if he can tell me, under calculation summary, what RCN means? I am afraid I am ignorant of the meaning of the letters. Under calculation summary, total RCN, what is that?

Hon. Mr. Bales: Down at the bottom—

Mr. Deans: At the bottom of the sheet, on the first page.

Hon. Mr. Bales: Those initials stand for "replacement cost new."

Mr. Deans: Fine. That is a good idea.

Mr. Lawlor: Royal Canadian Navy.

Mr. Deans: I did not know what it meant. I want to ask now: when you are using this, everything that comes under building description, room and interior finish, and exterior description, right down to that piece dealing with special features, obviously is for comparison purposes—is this correct?

Hon. Mr. Bales: Yes.

Mr. Deans: Strictly for comparison purposes? That every single one of these is compared with every other one and that we will decide from the comparison taking the market value, the actual sale price of one or more of a house of similar construction with identical components, what the market value will be. Is that correct?

Hon. Mr. Bales: Yes, generally.

Mr. Deans: Is this computerized?

Hon. Mr. Bales: No, not yet.

Mr. Deans: You tell me that in Hamilton, with something like 100,000 homes, that you are going to sit down and compare all of them?

Hon. Mr. Bales: They are not computerized at the present time; they are going to be.

Mr. Deans: Now could the minister tell me whether a home with concrete block in its basement is more or less valuable than one with concrete or reinforced concrete, or brick or stone?

Hon. Mr. Bales: It is just a different type of construction.

Mr. Deans: Does it matter to the end figure? It does not? If, for example, I as a person who happened to like a stone-built basement, felt that that was worth more than concrete block, and someone else liked concrete block rather than stone, would the difference in our personal taste be what would determine the final value of the property, not the actual structure itself?

Hon. Mr. Bales: Would or would not?

Mr. Deans: Would.

Hon. Mr. Bales: It would be of value to you, but it might not be the same value to somebody else.

Mr. Deans: But that is the market value, is it not? A person who comes and sees a home and is willing to purchase it for a certain amount of money?

Hon. Mr. Bales: You have to take averages in this.

Mr. Deans: All right. What goes under special features? What sort of things do we expect to have assessed under special features?

Mr. Good: Fireplaces?

Mr. Deans: No, there is already room for fireplaces.

Hon. Mr. Bales: For example, a swimming pool, special patio, perhaps, outside—and we talked about this on Friday—a permanent swimming pool, as I mentioned to you at that time, is a special feature of a residential property.

Mr. Deans: In the case of a permanent swimming pool—and again we come down to what is permanent—

Hon. Mr. Bales: One you cannot move.

Mr. Deans: One that you cannot move. It is physically impossible to move it. That is all that is required? Without leaving a hole

in the backyard? Because it is quite obvious to me that assessors going around are assessing above-ground pools. They are taking them into consideration. If you have a large above-ground pool and you have built a deck around it, it is as permanent as you want it to be. It can be taken down and taken with you to the next home that you buy. They are being assessed. They are presently being assessed. And if they are not to be assessed then I would suggest that the minister should instruct—

Hon. Mr. Bales: Just a minute now. You say they are being assessed; how do you know that?

Mr. Deans: Because I am being told that the assessor coming around is asking whether you have a pool. He goes into the backyard and marks it down on his sheet.

Hon. Mr. Bales: It does not mean that it is added to the value—he will note the type of pool it is and when he gets back to the office they will work out the values, then they will determine that. They may want to know what facilities are there, but it does not mean that every facility is going into the value.

Mr. Good: If it adds to the market value it is assessed.

Mr. Deans: The point I suppose is that if it were sold with the house it would add to the value; if it is not sold with the house it does not. This is the problem?

I want then to say to the minister that in terms of the reassessment—I said it before and I will say no more about reassessment after saying it—I do not happen to think that assessment based on market value is a very valid way of raising taxes. I have never thought it. I do not think assessment based on market value is a very accurate measurement of wealth at all.

As I said on Friday, there are people who are devoting all of their money to providing themselves with a reasonable place to live and not spending their money on frivolity, and that they ought not to be taxed for it. I will put it another way. There should be an allowance made whereby individuals should be allowed by law to spend a certain percentage either of the value of the home or of their income, whichever you want to choose, on home improvements, without that affecting the total tax burden that they have to carry.

They pay tax on any materials they purchase. They pay tax on any of the commodities they add. It does not seem to me to be fair—for want of a better word—to then tax them from that day on for the rest of their lives for things which they add to their property for their own use. On Friday I did suggest that if a person purchased some plaything, and spent an equivalent amount of money on it, he would pay tax once and would use it forever perhaps, as long as it would last—

Mr. Lawlor: Why do you not become the great innovator? Move in on some legislation.

Mr. Deans: —while the individual property owner would pay tax indefinitely.

The hon. member for Lakeshore pointed out to me—and he was right, I meant to tell you on Friday—that in European countries—in France, and in Paris particularly—that because of the method of assessing and the assessor going down the street and taking a look, the end result was that the people allowed the fronts of their properties, the parcels facing the street, to deteriorate, while fixing up the backs and making them look great where they overlook their patios and gardens, to avoid paying tax. I am not suggesting that will happen here, but there are people who do not keep their properties up for that reason.

Right on this it says “class and shape”—first class, I suppose, I do not know. It goes on to talk about the value of the property. The value of the property might well be related to whether it needs a coat of paint or not. A newly painted property is worth more than a piece that needs painting and a minor repair being effected to the front of a property might well raise the value of it \$1,000.

I will give you an example. You could purchase a bay window, a simple thing, and put in a different kind of window structure for a very limited amount of money and raise the value of your property considerably and this is being done.

All you have to do is go around and see some of the older homes in Metropolitan Toronto or anyplace else where people are having them sandblasted at a reasonable cost and putting in new windows and doors. The property increases in value considerably and it seems to me that those kinds of repairs and those kinds of expenditures are, generally speaking, for the benefit and enjoyment of the family who live there. If they are going

to spend their money in that way, then that ought not to be considered in terms of assessing the value of the property.

What I am really telling you is, if you are going to use these other things—if a concrete block basement is going to be more or less valuable than a stone basement—if a dry wall, interior wall, was to be more or less valuable than a panelled wall or a plaster wall, or if coloured bathroom facilities are going to be considered as adding more to the property than white, then this should apply throughout every property. There should be a factor attached to each of the component parts in order to arrive at the final figure, rather than this nonsense of a final appraisal being made on the appearance of the property.

People should be encouraged to improve their properties. People should be encouraged to spend their money on those kinds of things that make for a better society, and a better living area. You are not doing that under the present assessment practices because the present assessment puts too much emphasis on appearance and not enough emphasis on what the actual worth of the property itself is.

Mr. Haggerty: You could put shrubbery in and have to pay extra.

Mr. Chairman: The hon. member for Niagara Falls.

Mr. G. Bukator (Niagara Falls): Mr. Chairman, I have quite a stack of letters from the regional municipality of Niagara. There is a letter of May 19, which is fairly recent. Maybe if I read a paragraph from it, it will start the minister thinking along the lines that I am trying to convey to this House.

With regard to The Assessment Act, at the last meeting of the council of the regional municipality of Niagara, the council endorsed the resolution of the council of the county of Oxford requesting the assessment branch of The Department of Municipal Affairs to restore the breakdown of land and building as separate value on the assessment rolls and assessment notices.

I did not think that practice was done away with. When did the department do away with the breakdown on buildings and lands and why should it not reveal the assessment on the building and on the land on the tax bill, as I remember it? Not only the county of Oxford would like to restore it to the original but the regional municipality of Niagara also feels, by resolution, that not

only should the minister be notified, but the five members representing that area. I guess they all received similar letters to mine. Those are the members for Lincoln (Mr. Welch), for St. Catharines (Mr. R. M. Johnston), for Welland (Mr. Morningstar), and for Welland South. I would like an answer to that. When did the department bulk the two together and why?

Hon. Mr. Bales: The amendment came in with the changes of 1968-1969 and it first appeared on the assessment notices in 1970.

Mr. Bukator: What was the purpose of it?

Hon. Mr. Bales: The purpose of the change in the legislation passed by this House was that property value is very difficult really to break down as between land and buildings when you buy a property—and the hon. member, I think, is involved in real estate in his sometimes private—

Mr. Bukator: Not as much as I would like to be, but—

Hon. Mr. Bales: He has knowledge of it. Let us put it this way. In dealing with a property or the sale of a property, a normal residential property, one does not deal with it on the basis of so much for land and so much for building. The member and I know you deal with it at total value for that particular property. I think this was behind the proposals which were passed by the Legislature to have one value for assessed property or the sale of a property, a normal very largely with it as a unit, not as various parts of a home.

More than that, of course, when one is dealing with a property that might be destroyed by fire, for example, under section—I think it is 76 of The Assessment Act—one can take out a portion of the value of the property by reason of the destruction by fire. Under the old system, the total value of whatever its total amount, whatever was assessed for building, would thereby be wiped off the assessment roll under section 76, if it were destroyed by fire. But that does not mean that one was left with only that rather minimal value placed upon the land. I think the property may well have a different value and it is up to the assessment review court to determine what that value would be. Land, traditionally, I think, has had a rather minimal value placed upon it as compared to the total value, whereas today, as you and I, and all members recognize, land values, or lot values have changed very substantially over the last

few years and they are not the minimal amount that used to be attributed to them.

Mr. Bukator: Actually, we are talking on a subject that I am acquainted with. You can build a home for so many dollars per square foot. For the same home built in Toronto, on a piece of property here, and let us say, Hamilton, and then Niagara Falls, or the village where I come from, Chippawa, land value is much different. It would run anywhere from \$4,000 to possibly \$25,000 to \$30,000 in Toronto. Yet you have a split-level home with, let us say, 1,300 square feet in it. Therefore, I must have slipped, or must have been out of the House to let this get by me, because I do not believe it is fair to assess anybody for the package of land and building on one assessment, because the land in one municipality is much more costly than it is in another. Just to give you a good illustration: My daughter recently purchased a home in Scarborough and it cost her in the neighbourhood of \$30,000. Now, that house was not worth \$30,000. I would say half of the value of that house happened to be the lot. We can build a similar house on the Niagara Peninsula for \$15,000 or \$16,000, and you can have your home for \$20,000. How does the province, through your assessment department, assess these particular buildings on the assessment that they have taken from those municipalities and have studied in your department? What have they done about that differential?

Hon. Mr. Bales: Mr. Chairman, you have to relate the value of the particular property, and I am talking about a residential property, according to the average value of other residential properties in a particular area. You raised a point about Niagara Falls and Toronto. Yes, housing is more expensive here than it is there, but not necessarily any better. The average price here may be higher than it is in Niagara Falls, and I know that our assessors, in establishing the value of the property in a particular area, have to take into account the average value of housing in that particular section.

Mr. Bukator: Then do you have a schedule for each municipality? Do you work it out that way? Do you have a formula whereby, let us say, there is a 35 per cent or a 30 per cent difference between the two municipalities? Let us take Niagara Falls and Toronto, if you will. Are you telling me that a home in Toronto would be assessed at \$30,000 where the same home in Niagara would be assessed at \$20,000, and is that assessed at the pro-

vincial level in that manner? Is that the way it works?

I see your deputy is shaking his head. If it does, do you not believe that it would have been fair to leave the land—because your assessors are keen people and they know the value of the land—leave the land and the building separate and show the two different figures, then the total as they were previously? Why was there so much work involved there that you could not have left well enough alone?

Mr. Deans: That is what they do now too, even yet.

Mr. Good: Where?

Mr. Deans: Land and buildings—they add them together.

Hon. Mr. Bales: The method you suggest is relatively correct. But I think the basic point is that when land is built upon then the value of it is really as a total entity, not simply made up of two components of the land and the building themselves. You do not deal with them separately; you deal with them as a unit.

Mr. Deans: But you do. It says on your sheet, "building and site"; you add them together to get the final—excuse me, you must deal with them separately when you are calculating.

Hon. Mr. Bales: The one value applies really to the reassessment; the old pattern, of course, has to be carried on until reassessment is complete across the province.

Mr. Good: Well, is it not correct.

Mr. Deans: Well, what is the local modifier? Is this what you are talking about when you say that you make allowances for each municipality?

Hon. Mr. Bales: The local modifier adjusts the value according to sale prices in the area, taking into account whether prices are going up or going down.

Mr. Deans: Well, I just want to get the idea of what this means. What is "normal percentage good"? What does that mean?

Hon. Mr. Bales: The depreciation of the particular property from the normal, whether it is up to the normal or whether it is better than the normal or less than the normal.

Mr. Chairman: The hon. member for Niagara Falls.

Mr. Good: Mr. Chairman—

Mr. Bukator: I have not completed, but my colleague may have the same point.

Mr. Good: On the same point, is it not correct in saying that the reason you do not want to separate land and buildings is because that would make it a little easier for the person who wants to appeal his assessment?

Hon. Mr. Bales: No.

Mr. Good: Exactly, that is the reason.

Hon. Mr. Bales: No.

Mr. Good: You know it is and I know it is. You will not separate the land from the building because when a person appeals his assessment he has two arguments.

Mr. Ruston: He knows what the house value is.

Mr. Good: He knows what the value of the lot is in this way, but yet your people will have access to what they put on the value of the land and the value of the building separately. But on the roll you show it as one unit. That is the reason for it and you know it.

Mr. Chairman: The hon. member for Niagara Falls.

Mr. Bukator: Yes, Mr. Chairman, if I am not on the right subject here may be I can get it at the right vote. You spoke in the House—a question was asked of the minister, Mr. Chairman, and he said at that time some of the municipalities—I believe in the Niagara region—would have an increase in their taxes of something like 34 per cent.

I realize I am talking about dollars, but the dollars are related to assessment. Now, under those circumstances—and I do not go looking for information from the regional government or council. I have enough problems of my own—but a year ago I received a letter from the City of Niagara Falls concerning of their interim financing. They did not know how far the government was going to go with them as far as grants were concerned in the restructuring of the system.

They had to borrow money from the bank and found they had quite a substantial amount of interest to pay because they were not taxing their people, and I realize they have the authority to do so.

They could have taxed them but they did not. However, they paid a large amount of

interest to the bank until they got settled with The Department of Municipal Affairs. Then they taxed accordingly, but found themselves away out in left field and I think the record will show that their taxes are going to be increased this year by 34 per cent. They had quite a substantial increase last year.

Now, if that is so, have you now—I know you have had representation before you, Mr. Minister, through the Chairman—have you now settled with the amounts of money they are going to receive in that municipality so they can set their tax rate and get on with collecting their taxes?

Hon. Mr. Bales: Mr. Chairman, this comes under an entirely different vote, but I am quite happy to answer it. I will endeavor to at this point. I think the statement I made says the budgets as we had them indicated an increase of some 34 per cent substantially beyond the average increase in budgets of municipalities across the year.

At the same time, I pointed out it did not represent an increase in new or different types of servicing to account for that. My staff have had some detailed discussion with the various municipalities in the Niagara regional government area. Not all of them have been dealt with as yet because not all of them had their budgets ready, but for those that did, that was the average increase.

I anticipate that we will deal with them very shortly. Once we have all of the budgets we can. Very shortly I will know how we can assist them with their tax matters in the Niagara region, but I think it is important that we be able to look at their budgets and see where these increases have come. Quite a number of them have found in our discussions ways and means whereby their budgets could be reduced.

Mr. Bukator: Well then, Mr. Chairman, we are back on the subject of assessments again. An assessment has not been established or municipalities have not set their mill rates in those areas yet because they have not completed their budgets.

Hon. Mr. Bales: Quite a number! For example, St. Catharines, I believe, set its mill rate a week ago or thereabouts. Their school rate was down, I believe, 14 mills. Their general rate for St. Catharines was up $1\frac{1}{2}$ to $1\frac{3}{4}$, say two mills, so there is a decrease on the city rate of about 12 mills over a year ago. Now, their regional rate has to come into that as well. But a number of them

have had in their budgets—as presented to us—very substantial increases, an average of 34 per cent.

Mr. Bukator: I can understand why the school rate would be down, it was quite a stroke of business by The Department of Education—we are not on the subject now—they just arbitrarily went in and said: “You will cut your budget back to X amount of dollars.”

What some of us argued in this House before regional government was implemented, and also this assessment, was why not let them know how much more it is going to cost, determine these things before implementing, experiment in that particular area.

We have come to the position now, Mr. Chairman, where they, knowing full well how badly it hurt them in their taxes, made recommendations to this government that no more regional governments be implemented until they find out what it is going to cost them in added costs.

Now, if we had lowered our taxes and our assessments in those areas simply because the government found the error of their ways and finally, through The Department of Education said: “Cut back because we are not going to continue to spend as much money” and this is where they were hurt.

Now, Mr. Chairman, I may be just a little off beam, but I may not be here tonight and I did not want to miss an opportunity to be critical of some of you people on that side of the House. You know, they tell me there is an election coming.

In all fairness, I realize that it was through trial and error that we implemented many of these statutes, including the regional government of Niagara. And because I represent that area I felt I should tell you what some of your municipalities are thinking about the method. Now, I do not think you corrected the one point and I would like to ask this question of the minister: As far as municipalities are concerned, are they still borrowing money from the bank to pay the bill until they can collect their taxes once they know what their mill rate is, or are they collecting on an interim bill, or are you assisting them with some of the expenses of the bank interest?

Hon. Mr. Bales: They have an interim bill which gave them a very substantial amount of money to work on in the early part of the year.

Mr. Bukator: Very good.

Hon. Mr. Bales: And I will just say on one other matter for the member's benefit because he has taken a reasonable approach to this: many of them when they came in with their budgets have welcomed the assistance of our finance section of The Department of Municipal Affairs in dealing with their budgets and in the approach that we have taken to try and help them keep their costs in line, bearing in mind the services they are endeavouring to render. And I may say to you that St. Catharines' council were in my office, I think a week ago, and it was a very reasonable and constructive approach when they were dealing with their budget with our officials, in trying to find ways and means so that their tax level can be kept at reasonable levels in that area. They have got certain problems over there and we recognize them.

We know that there is an obligation on this department, and when you bring in regional government you continue to work with those people over the succeeding years to really make that kind of system of government work. The same thing applies here in Metro. All the problems were not solved at the beginning in 1963. Year by year the government had to work with them, and they developed, in my view, a very effective type of government here in Metro Toronto.

I think we will do the same in reference to Niagara and the other regions. But there is a real obligation on me as minister, and my officials, to continue to work with those people constructively to help them with their problems.

Mr. Bukator: Yes. I suggest the minister read my remarks on this issue. I have the brief of the city of St. Catharines of March 22, where they were talking about anything but regional government. They were talking about seceding at that time because they did not feel they should have to carry that added burden of financing. Now if the minister is going to pick up the tab—

Hon. Mr. Bales: The hon. member has not heard much of that lately.

Mr. Bukator: Well, that is the very fact, that I must get my information somewhere and I do not know of a better place to get it than directly from the minister. If he and his government through him would pick up the tab for the added cost because he forced this on them, then and only then the province is doing what is right by that municipality or that regional government. They

certainly did not ask for this; some of them wanted it, including the mayor of St. Catharines who was wholeheartedly in support of this kind of government—getting back to assessment, Mr. Chairman.

The mayor of that city felt that this kind of assessment would be the answer to a problem that was not working too well in municipalities going in all directions, so they supported this until they finally found out. It did not take a mastermind at that time, at least I kept this House awake until 20 minutes to 3 one morning telling you that by the very fact that you would implement this it would cost money and especially the rural people that you are talking about, and the small municipalities and the police departments, certainly if councillors are going to sit and give you everything you want all across the board the same as they have every place else, these are added costs and these are the facts that I was trying to bring to you. Now that you have given it to them you find that the cost is too much, and I think since you are the parent body and I understand, that you are the creator of the municipalities away back since The British North America Act came into existence.

Hon. Mr. Bales: Eighteen forty-nine.

Mr. Bukator: That is right, they tell me that Mr. Baldwin left the Conservative Government at that time to bring in better county government for you. His father was a Conservative—an intelligent man too a lawyer—and he felt, “No, they are not doing this job properly, I will join? Mr. Mackenzie.” So when Mackenzie began to tell the people the facts of life, being the rebel he was, they threw his printer into Lake Ontario.

However, since that time you have gone a few steps further and you are giving the people a little bit more. But there are two people that we have forgotten with this reassessment, and those are the people on a fixed income and people who are on pensions, who cannot purchase the things that money used to buy for them when they had their income, when they had their pay. So they are to be taken into consideration. Now if you have made peace with St. Catharines nothing would please me better than to read in the headlines where they are satisfied and the show is on the road and we are quite happy. I will be looking for that headline.

Mr. Chairman: Anything further on assessment—vote 1402, item 2? The hon. member for Waterloo North.

Mr. Good: Mr. Speaker, are we dealing with only matters under item 2 in the assessment picture generally?

Mr. Deans: Generally.

Mr. Chairman: Well, I attempted in the beginning to restrict it to item 2, but I do not think we can.

Mr. Good: My first question has to deal with vote 1402, and that is, I would like to ask the minister—

Mr. Chairman: 1402 only, but we were dealing with it by items.

Mr. Good: Item two of course.

Mr. Chairman: I am going to permit the members to go ahead on any items within the vote.

Mr. Good: Thank you, Mr. Chairman, I could have related this to item 2.

An hon. member: Nice fellow.

Mr. Good: Mr. Chairman, I would like to ask the minister, through you, what progress is being made on the group whom we were told last year are looking into the matter of assessment on cottages? In each problem area that we bring up, we have been told in former years that we had someone studying this situation.

Now many cottage people feel that because of the limited use of their facilities they should not be paying the full portion of education costs in the municipality in which their cottage is situated. This I think is quite a valid argument, and we have been told over the years that this point is being studied. With the tremendous increase in value of lakefront property, of course, many cottages under market value assessment will receive a substantial increase, I would think, in their assessing. This has already occurred in some areas where reassessing at market value came in in cottage areas.

Now, I would like to relate that question to a regular cottage, whether the minister does have someone looking into this whole area of whether or not cottage assessment should be on the full basis and include the full education tax payable in the area? And the second part of the question I would like to ask is, what consideration has the minister given regarding the assessment of lands which are leased by cottage owners from Indian bands?

I am not dealing here, Mr. Chairman, with the agreement with the federal government. I know that is a separate issue and one which is very contentious with the cottage owners as to the lease that they have with the Indians and the amount they pay monthly. I am talking about the municipal tax which the municipality collects from the cottage owner who is leasing that land from the Indians, because The Municipal Act says that where someone is living on Indian lands who is not a member of the band, the municipality may assess and tax that property, which they have been doing.

Now I would suggest this—and I have said this before to the previous minister—that the assessment on that land should not be on the actual land itself but it should be on the value of the lease rather than on the land. But this is not really what is happening. They are, in fact, assessing the land which is considerably more than really the value of the lease, because in some Indian bands they put such high lease values on their land that it has made the lease almost something which cannot be sold at all. Could I have the minister's reply, Mr. Chairman, to those two inquiries, and then I will go on?

Hon. Mr. Bales: Mr. Chairman, the land in those cases may be over-assessed, I cannot be sure. I can appreciate the point the member makes. But on the problem of summer cottages, I am not aware of any special study on that matter. I am aware that the cottage owners have written to me—and I am dealing with the matter of the taxation of summer cottages—and the lack of provision of services, which they claim should have an effect on the assessment and I take their point on that. But mostly this is a tax problem, not an assessment problem.

Mr. Good: It is an assessment problem.

Hon. Mr. Bales: It is mainly, I think a tax problem, because what the people are concerned about is that they have a summer cottage, they are charged educational taxes and yet they cannot avail themselves of the service of sending their children, or they would not normally send their children to school in that summer cottage area. Hence, they are paying a tax for education, which service they never take advantage of.

The other problem of the leases on Indian lands, should be an assessment really of the value of the lease and there may be over-assessment on that. I am sure the director will look at it and endeavour to come up with a solution to it.

Mr. Good: Mr. Chairman, could I have an under-taking from the minister that the regional assessment officer in the Owen Sound area who assesses the land on the Indian reserve in the Sauble Beach area would look into that problem because this is part of the problem there.

Hon. Mr. Bales: He is doing that. Sauble Beach particularly has been raised with him.

Mr. Good: One other question I have here under assessment—in fact there are several—and that has to do with this shift of assessment after reassessment at market value, the shift from commercial and industrial assessment to residential assessment. The minister did not reply to my query in my leadoff speech and fortunately he has the director right in front of him there, so he can inform him as to what the situation is, where the director of assessment has stated that the “fear that the new system of assessment would shift the burden of taxation to householders from commercial properties is unfounded,” as he was quoted as saying recently—I think it was in the *Toronto Star*, if I am correct. He will know where he was quoted and whether he said it.

In the past two years we have been making the point in the House here regularly that there is indeed a shift, and I have documented many municipalities where such a shift occurred—the towns of Preston, Hespeler, Elmira, New Hamburg, Ajax, Mississauga; in all these areas there has been a shift.

Last fall, the then Minister of Municipal Affairs finally admitted to the House that they did, in fact, feel there was a shift to residential property from commercial and industrial and he had instituted a study in the region of York and in the town of Mississauga. Now the director tells us that there is no shift, and I would like to know whether this study has been withdrawn or whether it has folded its tent and gone home on the authority of the regional director or on the director of assessment, or what is the situation in this particular point?

Mr. H. Edighoffer (Perth): It has been shifted.

Mr. Good: I think they are a shifty bunch. Do not put that in Hansard, I did not really mean it.

Hon. Mr. Bales: Just carry on for a minute, I have made some notes.

Interjections by hon. members.

Hon. Mr. Bales: Yes. The situation varies from municipality to municipality. There will not be a shift in taxes from one class of property to another on a province-wide basis, but rather on a municipality to municipality basis.

At the present time, residential property in one area may be assessed at 20 per cent of value, and another one at 60 per cent, 50 per cent, and so on. The same thing applies in reference to industrial and commercial. You cannot relate it across the board provincially, but rather you must deal with it in each municipality.

Mr. Good: Yes. Mr. Chairman, when the results were coming in, municipality by municipality, where reassessment in market value had taken place almost without exception, where there was any degree of commercial and industrial assessment, it was found that after the reassessment the property owners were paying a larger proportion of the tax than were the industrial and commercial people because—

Hon. Mr. Bales: No!

Mr. Good: This is true, Mr. Minister. It happened in practically every municipality except may be Arthur—I think in Guelph there was only a three per cent shift, but there was still a small shift—and I think in Kapuskasing there was not a shift, if I am correct.

But in many municipalities there was indeed a shift. I can show the minister if he is not convinced that there was.

If the minister says it does not happen on a province-wide basis, can he show me areas that did counteract the balance of other areas? Where in fact there was a shift away from residential to industrial or commercial assessment? I do not think there were any in that category.

Hon. Mr. Bales: I think in most municipalities the industrial or commercial assessment has been at a higher percentage than has residential. In one particular municipality, I know, there was a shift to vacant land, for example, which had been assessed at a very low figure. There was a shift in taxation to that, not to the residential.

It varies in different areas, but the general pattern has been not too great an increase in the residential tax burden. There may be some adjustment, but there has not been any great shift.

Mr. Good: Mr. Chairman, this brings me right back to the point where, I think, you really do need a study. That is the two bases of assessments that you are using—market value for residential assessment, and replacement cost less depreciation for industrial and commercial. This is really what you are doing.

You are assessing or evaluating residential property in an entirely different manner because it is simply impossible to get market value assessment on a commercial or an industrial building. It cannot be done. But we have been through that argument so often that I will not even pursue it any further.

In the next area—assessment standards—could the minister inform me whether assessment has been removed from the facilities and machinery and the lanes in bowling alleys, which at one time were assessed?

Hon. Mr. Bales: I do not know. I will have to ascertain—

Mr. Good: Come on!

Hon. Mr. Bales: I am advised by the director that it has been reduced on the equipment in those kinds of facilities—bowling alleys.

Mr. Good: The equipment is no longer considered part of the building and it is relieved of assessment, is that correct?

Hon. Mr. Bales: That is the policy.

Mr. Good: Fine, thank you. Now, two other things I would like to speak of briefly. That is, the theory that the previous minister was pushing very hard, and that is what he used to call a neutral business tax, one with which I could not agree at all. I am wondering if the minister here is going to pursue the same theory.

We now have business tax varying all the way, I think it is, from 30 per cent on the low end of the scale for certain businesses up to 140 per cent in the case of distilleries which used to be 150 per cent.

The previous minister's theory was that those at the high end of the scale, which included distilleries, breweries, the financial institutions, the banks, the trust companies, the loan companies and the insurance companies should have their business tax reduced and those in the bottom level, which are now paying only 30 per cent—which used to pay 20 and 25 per cent incidentally until this year—should have theirs raised so that every-

body levels out at, say, around 50 or 55 per cent to generate the same amount of business tax but on the same basis.

I am wondering has this policy been adopted as a definite stand of the department and the minister or is there still room for discussion on this point?

Hon. Mr. Bales: Mr. Chairman, my predecessor made some changes in that arrangement several years ago and I do not anticipate any further changes at this time.

Mr. Good: Thank you. My final point under assessment, Mr. Chairman, if I may ask the minister through you: The information which is available in the regional assessment offices which has been put on tape—taped by computer tape on magnetic tape. Is this information available to any municipality in that region, all of it?

Hon. Mr. Bales: Yes.

Mr. Good: All right, now, the Kitchener, Hamilton, London, and Windsor regional offices—

Hon. Mr. Bales: Whatever they require for their information within that area, yes.

Mr. Good: Oh, now you are qualifying it, are you?

Hon. Mr. Bales: I do not think so. Whatever they reasonably need; they get their own particular tapes dealing with their own municipalities, but I think—

Mr. Good: Oh, yes, they get their own tape, but Mr. Chairman, there are many—

Hon. Mr. Bales: They are given them without charge.

Mr. Good:—there are many—pardon?

Hon. Mr. Bales: It is given them without charge. It is just made available to them.

Mr. Good: Yes, fine. Mr. Chairman, the minister is probably aware that there are many small municipalities, within the large, which do not have their own computer service so they get a print-out of the tape and the tape remains back in the regional assessment office.

Hon. Mr. Bales: That is right.

Mr. Good: I would like to know what kind of tie-up there is between the regional assessment office and IBM who, I understand, do the computer work in the Kitchener, Hamilton, London and Windsor offices and why

municipalities have all kinds of road blocks set in their way to get the tape for their own municipality from IBM, because this is happening.

I have documented here one case where a municipality was hiring someone else to put out their tax bills and it took one whole month for IBM to give up the tape for that municipality so that they could get another private firm to do their tax bills. I will tell you what one of the reasons probably is.

Another job that the city of London wanted done included the separation from their roll of separate school supporters, Roman Catholics who were non-supporters, and public school supporters. They put this job out to tender. IBM's tender was \$4,000; another firm, EMCO Limited, tendered \$1,200; and the city of London, which has computer facilities itself, did the job for the school board for \$1,150.

I understand that IBM does everything in its power to prevent municipalities from getting the tape for that municipality to have another independent firm use that computer information. Is the regional assessment office in any way tied in with IBM, that they cannot retrieve that information when they want it?

Hon. Mr. Bales: The application for the tape should be made to my department, not to the regional office.

Mr. Good: Not to the regional office?

Hon. Mr. Bales: To the regional assessment commission; that is the same as this office. It should not be made to IBM direct.

If they would make their application to us, we will see that they get the tape. If we do not know about their application, then some difficulty may arise but it should be done that way. I know of no difficulties when that procedure has been carried out.

Mr. Good: Then I would like to inform the minister, Mr. Chairman, of some difficulties that have occurred.

Hon. Mr. Bales: Yes, but they may have gone direct to IBM.

Mr. Good: In one instance, the town clerk made the application to the regional assessment office. Excuse after excuse was given and, finally, a day before the tax rolls were to be sent out, the man from IBM came, with the clerk of the township, to the independent office of another computer firm and stayed there all the time their tape was being used, as though they owned the information on it.

There is something wrong here somewhere, and all I would like to know is, what procedure a municipality should go through.

Hon. Mr. Bales: We know about that particular one you are talking about. I think I could identify it here, but that was taken care of and it has not occurred again since then. We have cleared up the problem.

Mr. Good: Would the minister suggest that if the municipality sends a letter to The Department of Municipal Affairs assessment branch and asks for the tape of that municipality, it would be sent to the municipal office and they could then farm it out to any company they wanted, to get what information they wanted from it? Is that all that is required?

Hon. Mr. Bales: Yes, that is correct. It is in their hands. We do not dictate to them who—

Mr. Good: Yes. Well, your office has a request now in a letter which is almost two weeks old, which has not been answered yet.

Hon. Mr. Bales: Would you like to identify it?

Mr. Good: Not necessarily here.

Hon. Mr. Bales: Send me a copy of the letter and I will see that it is looked at.

Mr. Chairman: The hon. member for Wentworth.

Mr. Deans: Two questions of the minister. One, who has access to the assessment records?

Hon. Mr. Bales: It really depends on who the municipality authorizes for that access.

Mr. Deans: I was thinking; first of all, the first question that comes to my mind is would an individual householder have access to records of similar properties to the property which he owns?

Hon. Mr. Bales: Yes.

Mr. Deans: He would?

Hon. Mr. Bales: Yes.

Mr. Deans: Then would businesses have access to the records of properties of a certain class? Would they be able to ask for a printout of the assessment record of properties of a certain class?

Hon. Mr. Bales: A business can compare its property to other similar properties.

Mr. Deans: No, I am sorry. I do not mean when one business gets access to similar business properties. I am wondering, whether for example, realty companies or other companies involved in the sale of—

Hon. Mr. Bales: For example, if you are thinking of a business wanting to get a mailing list, for example, of businesses—

Mr. Deans: Or people, or homes.

Hon. Mr. Bales: They cannot—they can only if the municipality authorizes and gives it to them. From the assessment branch standpoint we deal with the matter of evaluation of properties. If they want to compare that particular property to other properties, all right, they will get assistance, but they will not get a whole list of all of the businesses in a particular municipality.

Mr. Deans: I see. Just for my own clarification then, a company wanting to determine—you know, if they were in the business of selling a product and they wanted to see into which areas they should move in order to assess the market, would they be able to get access to the records of the assessment department?

Hon. Mr. Bales: No, not from the assessment department, but once that is given to the municipality we cannot control what the municipality does with it.

Mr. Deans: I think you can, but you do not.

The final question as far as I am concerned—is it still the intent of the government to return the assessment function to municipalities in 1974?

Hon. Mr. Bales: There is some—the member referred to a statement by the Prime Minister (Mr. Davis) in his remarks on Friday. I listened to that carefully. I have not formulated any views on that at the present time. The job is not done and until such time as it is done, I am not making any predetermination on it.

Mr. Chairman: Is item 2 agreed to? Item 3? Item 4?

Vote 1402 agreed to.

On vote 1403:

Mr. Chairman: The member for Essex-Kent.

Mr. Ruston: Yes, Mr. Chairman, I wanted to speak with regard to planning and ap-

proval of plans or alterations in plans of municipalities. We have had some in our area where municipalities had plans made in about 1965 and they wanted to review them every five years, and made a review of them.

In some cases they could not get the approval of The Department of Municipal Affairs for the changes after the planning board and the township council had recommended them. This is not, I think, very good procedure. I think if a local municipality with its planning board—these are people outside the local council, the people on the planning board—sees fit that they made some mistakes perhaps in the original plans and want to add to them and so forth, it seems to me that it should be a little easier to have these changes made.

In one case I can think of offhand I think the reason for the refusal to accept the change in one part of the township was that this department—I do not have the correspondence with me, but I think I can remember it pretty well—said that there was no sewage disposal system available in the area and what the township was doing was extending the residential area around one of the smaller villages. As I say, the reason mentioned was that there was no sewage disposal in the area and, being a very small village, there was not likely to be any for some time, although in the immediate area—within half a mile or a mile—there have been 50 or 100 homes put up in the past two years. Apparently the local health unit and other people are satisfied with what facilities they have there.

At the same time, in another area of the municipality where an application was made, the local health unit—and I do not know whether I agree with their decision—gave approval of subdivision for the facilities that were there, and it was turned down by this department. What I am wondering is, are people in the planning department more capable of telling what is satisfactory for a municipality than a local health unit or the Ontario Water Resources Commission? I am not too sure that the people in the planning department are more capable. They may be, but it would be very doubtful to me. It discourages the municipality, I think, to put a plan on the area, if they once get a plan, and find out that the changes take years and sometimes are impossible.

I happen to have been involved in the planning of one of the municipalities; we were new at it, although I think our planning consultant had done some, but probably he was not aware of the growth in certain areas.

We were able to see our mistakes a few years later; we had not supplied enough residential areas in some parts of the municipality; then when we wanted to get them changed, we could not get them changed. This, to me, is probably a lack by the municipality in not looking far enough ahead, but it is very difficult at times to look more than five years ahead.

I think the minister's department has been lax and very slow in giving any approvals that have been approved, and I think some of the decisions are not quite in keeping with the areas that they are concerned with. I think the local people are more aware of what is going on; in some of the ones I am thinking of there was actually good planning in what they were proposing. Some of them were not, but some of them were. The ones where I made representation, I know, were according to the broad terms of the official plan, that any new building or so forth would be put in the general areas of the residential parts of the township at that time. It looked to me like good planning, but your department saw fit to think otherwise; so we have a bit of a bad taste in that municipality over your department. I just wanted to bring that to the attention of the minister.

Hon. Mr. Bales: Mr. Chairman, we rely on the OWRC or the health units for advice in reference to matters in their particular fields. If these amendments to the official plan are relatively minor—and they are all different, so that you cannot set an exact time limit on it—but I have found that if official plan amendments are not overly complicated, they are dealt with in a period of about three to four months.

Mr. Chairman: The member for Wentworth.

Mr. Deans: I am curious, Mr. Chairman, to know from the minister what the criteria are for decisions on local planning matters when there is no overall land-use policy for the Province of Ontario? How does the department come to grips with whether or not a plan being submitted is suitable or otherwise when there is not any indication from the other departments of government what their function is and what their plans are for the use of the resources that are available for the use of the people of the province?

The example I want to give is the one before the inquiry—and I am not going to deal with it—but an example is surely the Caledon Mountain Estates. I do not want

to talk about it here, but I say that this is one instance where the community planning branch ought to have been much more involved, and where it ought to have had guidance in terms of a policy, an overall policy, to be followed as laid down by the cabinet and the government. Now this just does not happen.

The same thing is true of the lands adjacent to the Great Lakes where there ought to be easy access, or in the lands adjacent to the inland waters where there ought to be easy access. There is no policy established and therefore everything that is done is done on a piecemeal basis. Everything that is done is done piecemeal. Every single decision that has to be made has to be made from the evidence presented on that particular problem without any consideration of what is best for the overall province.

At the moment we are studying the possible location for an airport facility, and I am curious to know what part the community planning branch has played in determining and first of all presenting to the federal government its views on the location of an airport and the kind of generation of growth, if there is to be any growth generation, from an airport facility being located in one area rather than another.

What is being done by the department to try to sit down with the Minister of Trade and Development (Mr. Grossman) and to point the way for future industrial development in terms of properly planned development throughout the Province of Ontario? Could the minister indicate what liaison there is between his department and OWRC or Trade and Development for industrial location, or for that matter with the federal government, in the planning of airport facilities?

Hon. Mr. Bales: As you well know, Mr. Chairman, over the last few years the regional economic studies have taken place which developed a concept for different sections of the province.

More than that, you have the regional development branch, the Ontario Development Corporation and our people working with them. For example, in reference to the airport particularly, that was a Treasury department regional development-type study and there were certain people in our department who were designated to work on the provision of information, the material which could be used in the ultimate decision as to the location of an airport, and so on.

These are the kinds of concepts that are being developed, not necessarily entirely through our department but wherein our department has a part to play. When the policy or the concept is developed, then it is used as an assist in our area, in the community planning branch, for the development of plans and so on, for that particular area.

Mr. Deans: Might I ask the minister, then—

Hon. Mr. Bales: It is not done entirely within The Department of Municipal Affairs. We work with the other departments.

Mr. Deans: Can I ask the minister whether, in such things as the development of airports, in major industrial development, particularly as it affects natural resources, there is an automatic reference to the community planning branch to determine whether or not that fits in with the concept of good planning for the Province of Ontario? Or is it simply that if it is not brought to the minister, he does not look at it—if it does not become a public issue it is not considered?

I am saying this, because often municipalities will go ahead and do things that may well be completely outside of the bounds of good planning. Is there a requirement that any major facilities being installed receive the careful scrutiny of The Department of Municipal Affairs—the planning branch in particular—and does any final decision hinge on recommendations of this department?

Hon. Mr. Bales: We work through the advisory committee on regional development on these things to provide information and liaison back and forth to the department, and it is something that we have, in the last few years—I was not there—but the department I think has felt a need for closer liaison than this, and that is the reason the advisory committee was established and it is beginning to work quite well.

Mr. Deans: In the matter of airports, I have a press release which was put out by the minister's predecessor on October 9, 1969, in which he claims to be directly involved in the whole planning aspect of an international airport in the Toronto area. He points out that this is one of his responsibilities—he was always good for saying these things anyway—that he was concerned about the proper location and planning because of

the effect that it had on regional development, the effect that it had on community planning and the effect that it had on residential development.

Under what structure does The Department of Municipal Affairs entertain these kinds of proposals? Is there any guarantee that there will be some say accorded to his department in the determination of the final decision in regard to airport location. Because airport location is very important. It is one of the many things; it is one of the many important features of any kind of development. I am curious, because in Hamilton we face such a situation at the moment, and I want to see what is going to happen.

Hon. Mr. Bales: The member referred a minute ago to the advisory committee on regional development. That is the means whereby people in our department are consulted about particular types of development in various areas, wherein there can be an input from our department into the other group, giving the information that we think is necessary in dealing with this as completely as we can. We give information to the central group, so that they, in turn, can deal with the matter from an overall standpoint.

You must have that because, for example, there is the provision of services, water services and so on, or taking an airport as an example, the provision of roads. There would be new types of housing needed and all the other things. You cannot deal with that on a one-department basis, but rather you must, like spokes of a wheel, come into the centre. We have found the advisory committee to be helpful in that respect.

Mr. Deans: I agree 100 per cent with the minister on that, but it is not a function that one department can do all the work. I think the one department should be responsible for the final decision. I think this is what we are saying.

I would like to ask the minister then, specifically, whether there has been any representation made to the department, to the planning branch, in regard to the proposed regional airport development in the Hamilton area, whether there has been discussion at this stage.

Hon. Mr. Bales: There has been a question, not particularly in reference to the airport itself, but dealing with the new international airport, wherever it may be. That is different.

But, not so much on the airport in the Hamilton area, but rather the questions relating to transportation in the Hamilton area, that kind of thing has come to us for opinion.

Mr. Deans: I would like to say to the minister, then, that, just by way of explanation, at the moment, there is a fairly strong push going on to have the federal government expand the facilities in the Hamilton area, in Mount Hope, into what they call a regional airport.

I am not absolutely sure what a regional airport is. It is very difficult to find out, but I would have hoped that before the municipality went ahead and did anything in the way of promotion in this area, that it would have had to speak with The Department of Municipal Affairs, simply because the location of any major facility of that type is of vital importance to the economic growth of the province. Not only that, it can be of vital importance to the growth, the growth patterns and future development of the municipality, perhaps far beyond what they, themselves, are able to see.

I was very curious, because it strikes me that if we are going to permit municipalities to seek federal assistance—and obviously they would have to have that or federal participation in the development of a regional airport in that area—if it were decided at some future point after all of the presentations have been made that the provincial government did not want it there, then all of the effort that would have gone on to that point would be useless and wasted.

At the moment, there are at least three briefs that I know of that have been presented to the federal minister in regard to this facility. I happen to have taken the view that, while I am prepared, as an individual to support the development of such a facility, I feel that that location is not exactly the best location for the region—not best for Hamilton and not best for the total region. I want to know if the department were approached by interested persons, whether it would do a study on that in order to be able to make some kind of official or semi-official representation, as the development of an airport would in fact be very much a part of the overall development of the Province of Ontario.

Hon. Mr. Bales: The primary department in that kind of a situation would be Transportation and Communications and—

Mr. Deans: And development has—

Hon. Mr. Bales: Well, now, just a minute. I think they would be the primary ones but they are the ones who would in turn seek, through an advisory committee, arrangement information from The Department of Municipal Affairs along with others, the kind of input they need to have a complete view of the situation and be able to respond properly.

I think you would have to relate it to one particular agency or department which would have the primary responsibility to communicate with others.

Mr. Deans: Well, in the matter of planning does The Department of Trade and Development—Ontario Housing Corporation—submit its plans of development and purchases to the community planning branch in order to get a view of whether or not it is within the proper planning concepts that have been set out by this department?

Hon. Mr. Bales: The plans themselves are submitted to the department and this is one of the areas I feel there should be close liaison in reference to The Department of Trade and Development before plans get too far advanced. This is one of the matters I have been working on, because I wanted closer liaison with the minister.

Mr. Deans: We can expect then that before announcements are made by the Minister of Trade and Development of acquisitions of land and housing projects that the Minister of Municipal Affairs' department will have had a look at this?

Hon. Mr. Bales: I would hope so.

Mr. Deans: Because it appears to me, in retrospect, this has not been the case; that, in fact, upon the signing of the agreement to purchase land, the announcement is made that some magical city is going to appear and then we find out that in planning terms, if not an impossible task, it will be at least an extremely costly one.

We have had this situation right here in Metropolitan Toronto on a number of occasions, not the least of which was only a year ago. We have, in my own riding, a similar situation where the department purchased a great many acres of land. It is now developing them but the land ought not to have been developed at this time and perhaps should not be developed until five or six or 10 years from now.

I think that good planning would have dictated that, had the planning department had a function to play in the decisions being made. I want to say then, and to stress to the minister that that kind of change would be welcome. That kind of change and a much closer relationship between The Department of Trade and Development and The Department of Energy and Resources Management as it affects provision of facilities; and the community planning branch is absolutely necessary if we are going to have any kind of proper planning.

Finally, I wonder what is happening in the way of an overall land-use policy? There has been a lot of discussion. There was some discussion about a year ago by the Prime Minister. There was talk by the previous Minister of Municipal Affairs about the need to recognize the potential of land and to set up policies in the use of particular areas for development purposes.

What has been happening in that regard? Has there been any indication, or any interim reports being made, or is there anything available to the House that would indicate what is being done in the province, what kinds of things we are going to preserve, how we intend to shore up the regional governments. They are going to need this kind of guidance when they are set up—what we intend to do by way of demonstration through a land-bank inventory perhaps, and other ways—what we hope to see accomplished in the province of Ontario over the next 50 years.

Hon. Mr. Bales: In the overall basis, the regional development branch of the Treasury really is the one to formulate those general schemes or plans. When we establish regional governments, one of the provisions is that they get official plans for the region within a certain period of time.

In a number of cases—there are several cases—there have been provisions of money, for example, to the region to assist in formulating that official plan. I think it is important and we will have to do this on a fairly consistent basis.

When you have a regional government set up, you must then set a period of time—as short a time as you can—for establishment of that official plan, and you have to provide money to speed it up or make it feasible, and that is a good thing in my view and I want to see this expedited.

Mr. Chairman: The member for Waterloo North.

Mr. Good: Has the member finished?

Mr. Deans: I believe I have finished and it is 6 o'clock.

Mr. Good: I want to get on to a new subject.

Mr. Chairman: The member for Hamilton East then, as we have a couple of moments if you wish to use them up?

Mr. Gisborn: Yes. Just out of curiosity I would like to get a few things clear. On page 27 of the minister's report, official plans, it tells at the top of the page that during the year 34 official plans and 280 amendments to official plans were submitted for approval, the highest number of applications ever received. Does that mean, Mr. Chairman, through you to the minister, in this year 1971?

Hon. Mr. Bales: It says there, as we read it, during 1970.

Mr. Gisborn: Underneath it says a total of 16 official plans and 200 amendments were approved during 1970.

Hon. Mr. Bales: We are dealing there throughout on a calendar year basis.

Mr. Gisborn: The question that enters my mind—I cannot separate the two sentences, the one paragraph from the other sentence.

Hon. Mr. Bales: If you look down at the fourth paragraph, it says, "The record for 1970 shows a welcome continuation," etc.

Mr. Gisborn: Yes. Taking these 34 official plans and, you say, 280 amendments to official plans which were submitted for approval. What type of amendment would that range in?

Hon. Mr. Bales: Very wide. Sometimes there would be a change in use, for example, in a particular geographic area. Sometimes you have a general nature, a new type of use entirely. Sometimes it is a broad matter, and sometimes it is quite minute or affecting perhaps a block or something of that nature.

Mr. Deans: That is one of the problems that arise.

Mr. Chairman: Order, please!

It being 6 o'clock, p.m., the House took recess.

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Legislature of Ontario Debates

OFFICIAL REPORT — DAILY EDITION

Fourth Session of the Twenty-Eighth Legislature

Monday, June 21, 1971
Evening Session

Speaker: Honourable Fred McIntosh Cass, Q.C.
Clerk: Roderick Lewis, Q.C.

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LEGISLATIVE ASSEMBLY OF ONTARIO

MONDAY, JUNE 21, 1971

The House resumed at 8 o'clock, p.m.

ESTIMATES, DEPARTMENT OF MUNICIPAL AFFAIRS

(continued)

On vote 1403:

Mr. E. W. Sopha (Sudbury): Mr. Chairman, on a point of order. Can you settle under which vote it would be appropriate to raise the matter of regional government?

Mr. Chairman: I believe there is a municipal—

Mr. Sopha: One cannot tell from the words used to describe the functions in the book of estimates. The term is never used.

Mr. Chairman: Vote 1404. We are on vote 1403, the planning branch. The hon. member for Hamilton East.

Mr. R. Gisborn (Hamilton East): Yes Mr. Chairman. Before we rose for supper break I was concerned about the number of approved or submitted official plans for the municipalities, and of course the number of amendments that have been submitted and approved to those official plans. The numbers of amendments seem very high, so I wondered if the minister could advise us as to what are the standards for submitting official plans?

My understanding is that the municipality, through the assistance of the planning department, establishes a design for an official plan for the development of the particular community and then it is approved. And then we read in the report that many, many amendments are made to the same plan, which seems to indicate to me that something was wrong with the original submission and the original conclusion of those plans.

Would the minister explain the standards first established for an official plan; in co-operation with whom are the official plans arrived at; and how can we have an official plan approved after lengthy research and designing and then have so many amend-

ments submitted and approved following that approval?

Hon. D. A. Bales (Minister of Municipal Affairs): Mr. Chairman, at the present time there are about 190 official plans in the province; in population that covers the larger areas by far. But many of the original or the older official plans are inclined to be very definite as to areas, specific uses and so on.

What the department is endeavouring to do is make them of a more general nature, encourage them to be of a more general nature, so that they do not need to be amended very much from time to time. It serves as an on-going guide for development in the municipality. But we have found that there are older plans and they are quite specific they do require more amendments from time to time. That is the reason why there is a relatively large number of amendments there.

For example, recently I recall one official plan, I think it was official plan amendment number 31 to that particular official plan. It had been in existence for some period of time. But where the new ones are developed at this time, the community planning branch endeavours to assist the municipality to keep them of a general nature and we find then that there does not need to be as many amendments as there might normally be.

Mr. Gisborn: Then, I take it that the amendments are submitted by the municipalities—

Hon. Mr. Bales: That is correct.

Mr. Gisborn: —based on applications for rezoning changes maybe?

Hon. Mr. Bales: Well, sometimes on the application for rezoning. At other times it is studied within the municipality itself and its feeling is that sometimes a provision of the earlier official plan was not as it perhaps should be and it needed the passage of time to be changed. They take the initiative and make the amendment. Other times it is the result of the rezoning application.

Mr. Gisborn: Well, one final question to clear this up in my own mind. If the minister and his department are satisfied that the standards and procedures for establishing official plans is worked out properly in the first place, it seems to me that the official plan, if it is going to be subject to so many amendments as time goes on, then it is not really an official plan. Maybe we have to take a look at the standards in the policies applied to official plans and make them less concise and more in the general sense of land-use and area planning and leave—

Mr. E. R. Good (Waterloo North): Hear, hear!

Mr. Gisborn: —the municipalities to establish a superimposed secondary use of the official plan in their own way for a certain period and then resubmit that. I cannot see the benefit of establishing what is called an official plan, and in many cases certain grants are dependent upon official plans being filed in areas where they have undeveloped roads and quarries and certain industrial use that is going out of style and this sort of thing.

Now, if we establish an official plan to make it legal for certain grants to be paid and then amendments can be made to that official plan, it seems to me that the whole procedure is becoming sort of a mish-mash of action.

Hon. Mr. Bales: The department, I think, has recognized the need for looking at the official plan procedures with a view largely to meeting some of the requirements or suggestions that you have suggested. Within the department itself, we have a committee looking at possible changes in the practices and procedures under official planning to make them of a more permanent nature.

I think they should be because the real usefulness of the official plan is a guide as to the homeowners or the property owners within the area. They can appreciate and understand what uses are going to be made of property in a particular area over a long period of time. We have one of our senior staff people doing this study within the department and, subject to what that study reveals, we will be looking at possible changes in the official plan practice but with a view to maintaining that principle.

Mr. Gisborn: Might I ask, through you, Mr. Chairman, to the minister, has the department now ironed out a programme that will arrive at some date at a completion of

official plan adoption across the province? In a sense, I take it we have 922 municipalities in that area?

Hon. Mr. Bales: We have 907 municipalities.

Mr. Gisborn: Nine hundred and seven?

Hon. Mr. Bales: Yes, 907. But we may get to the stage where the whole province is covered by official plans; bear in mind that quite a large number of the municipalities are very small in size. All of the larger municipalities are covered by official plans, with one or two exceptions.

Mr. Gisborn: You gave a figure of 36.

Hon. Mr. Bales: No, I said 190 official plans and that covers, in all, about 230 to 240 municipalities.

Mr. Gisborn: Yes, naturally a plan would cover multiple municipalities in various areas. That would be considered a good idea and that is what I was leading up to in my question. We should have an objective of various areas of the province where there would be multiple municipalities covered by one official plan on an agreeable basis.

Many of the small municipalities, I would think, would not be interested because of their smallness in the development of a so-called official plan at this time. One would take priority over the other. Eventually, we would come to the point where we would have a provincial plan that we call a provincial official plan of land use and municipal development, arrived at from the various agreements on the area basis.

A question that arises in my mind, at this point in 1971, is that we should be in the area of being able to say to ourselves, "This is our objective—these are the areas where we will have multiple municipal plans, and where we will have individual plans and tie that in the standards of the planning."

Mr. Chairman: The hon. member for Waterloo North.

Mr. Good: Mr. Chairman, I would like to ask just a few questions on this point of official plan. Unfortunately I have not visited the community planning branch department for the last year, so I am not aware how its map looks. But the last time I looked at it the land area in southern Ontario which was covered by municipalities which had, in fact, filed official plans, to me looked rather small.

I am wondering now, in land area—we will say in southern Ontario, which is perhaps more important for land-use planning than the larger areas of northern Ontario—I am wondering in proportion to the land areas in the southern part of Ontario, how much of it, in fact, is covered by official plans? The last time I saw the map over in the department it looked to be a very small proportion, maybe 10 per cent or something. I am just guessing at that figure, but I am wondering if the minister could tell us how much is covered?

Hon. Mr. Bales: I can tell you the particular municipalities, but I cannot tell you the proportion of the land. I can say to you, though, that about 80 per cent of the population of the province is covered at the present time by official plans, but I cannot tell you by percentage of geographic area—

Mr. Good: This point—

Hon. Mr. Bales: —bearing in mind in the north country there is a very large area not covered by official plans.

Mr. Good: This point is fine in the areas where population is dense, of course. Most of those municipalities do have official plans, and the newly constructed regional governments will have, by the target dates set out in the Acts governing them.

I am talking now particularly of the small rural municipalities, townships and especially those areas which are now being exploited for vacation properties. I think there is much that has to be done, and done rather quickly, in these areas.

I know the department is reluctant in some instances to move into areas and say, "Well, we just cannot do a thing until you file an official plan with us." I have mentioned this before in the House. I think the fastest way in which we can get some good planning in our rural areas and especially in our vacation areas is by a little infusion of provincial money into these townships to help them get official plans.

There are very few townships that can be persuaded to try to raise \$30,000, \$40,000, \$50,000, \$60,000, up to \$100,000 which is required to draw up an official plan for that area. So we are back to the point where the department tells a developer: "We will not give you plans of subdivisions for that cottage area until your township has an official plan." In other words, you are asking private developers to be a source of leverage,

we will call it, to be polite—to put pressures on the local municipalities to do something about their planning.

I would think it needs a little better co-operation from the department, with some grants. You give grants to no end for every other purpose in the province, except in these areas of establishing an official plan. I know there are a few municipalities that are getting planning grants. In my own area, the Waterloo, planning board is one that has been getting grants for a good number of years. But in the little municipality that has a small recreational lake, it is going to be very vital in the next five or 10 years that proper planning be done in that area so the development of that lake will not proceed without proper direction.

I am wondering if the minister has given any consideration to some means whereby there could be a speedup, because I think the local residents would like to know which areas in their municipality are designated for some potential future growth and which are not. But there is the matter of thousands of dollars that are required in a small municipality; there may be only 4,000 or 5,000 permanent residents, maybe even less, who just cannot raise that kind of money to bring in the experts from out of the area. They have to bring them in from out of the area to do their planning work for them. If the minister could answer that point, then I would like to proceed.

Hon. Mr. Bales: Mr. Chairman, I have a list of the areas where we have assisted them with moneys, but it is very difficult for a small or single municipality to develop its official plan on its own, because the whole area is really a part of the type of development that you need. So we have encouraged them to develop official plans on a county basis, and from time to time we assist them with moneys to encourage that. We also encourage them to have larger planning areas than merely their own township; and if they get a combined planning area, we frequently provide them with some assistance to help establish that planning department and so on.

But looking at the areas that are receiving planning grants—of course you mentioned your own, but there is the Lakehead, there is West Nipissing Planning Board; there is Sault Ste. Marie and Area Planning Board, Sudbury Planning Board, Hearst Planning Board, and Hastings, Haldimand-Norfolk, and Township of Caledon Planning Boards

These are the kind of areas, not necessarily the big urban areas, that we are assisting. I think this policy of assisting some of these areas to receive moneys to develop their official plans is good, and I would like to see it extended.

Mr. Good: Proceeding on this point—and I will leave out the big urban areas, where there is population, and the heavily concentrated areas—let us get down to the effect on the many areas in the province where there is a small development and a small lake. Talking about summer cottage development, we now have, you might say, a hang-over of lots that may have been developed before subdivision control and ministerial orders were put into various areas. These lots are now being peddled on the market and in many cases are causing hardships to people.

I would like to quote briefly from the report of OWRC on the water quality along the Bruce county shoreline, and invariably in every township they give as their recommendation of what is really required in the area to raise the water quality, which is closely tied in with the whole quality of life in the area. The recommendation presently says:

In order to properly control future development in the township in accordance with the servicing requirements, an official plan and associated bylaws should be developed as soon as possible.

And in every township in the Bruce Peninsula study area that was done by OWRC the recommendation was exactly the same. In Amabel township, where there is an official plan the recommendation is:

The present official plan should be studied to ensure, where possible, that proposed development patterns are in accordance with the findings of this report.

So I am wondering about two things: First of all, how deeply does The Department of Municipal Affairs get itself involved in the study reports of OWRC and The Department of Lands and Forests when it comes to the development of cottage sites around our many lakes in the province, and especially those in southern Ontario?

I was led to believe last year, when the controversy of the Walker Lake development was discussed here in the Legislature and outside the Legislature, that The Department of Municipal Affairs did not consult too closely with either The Department of Lands

and Forests or OWRC, because I was led to believe—and I showed documented proof here—that in the case of the one report which I had of OWRC, showing that that particular lake could not support the number of cottages that the subdivider wanted to, this report had never reached the hands, so I was told, of The Department of Municipal Affairs.

I had suggested at that time that somebody has got to figure out for this department, if it cannot do it itself, just how many cottages the small lakes in southern Ontario can support and still keep the quality of water and the quality of the environment within reasonable bounds. Up until that time, no one was ready to ascertain what information would be required to say whether this lake could support 100 cottages or 50 cottages. There are many factors which would enter here I am sure. The overburden on the rock, the amount of topsoils, the drainage, the types of land, the lake itself, inflow springs and outflow of the lake must all surely be considered.

But I really do not think that this department has had a thorough study so that they are prepared to say that "Because of the information before us, this lake will support 150 residents, unless you are prepared to put in a central sewage and water system." A central water system; yes, OWRC does require that in many developments. But somewhere along the line somebody has got to say this is the maximum amount of development we will allow on this lake, if we are going to keep that water clear. I am wondering if there has been any progress made in the past year in developing this type of information, so that we can then simply say to a subdivider there is no use submitting a draft plan for approval, because that lake will not support any more development.

Hon. Mr. Bales: I think, basically I agree with what the hon. member is saying, but in this particular one, Walker Lake subdivision, OWRC is deeply involved as is Lands and Forests, as well as our own department. We had certain studies undertaken on our behalf in this regard. As of January 1 this year, this particular development was in the unorganized township of Sinclair when it became part of the township of Lake of Bays. Now they have put a holding bylaw on the whole development until such time—

Mr. Good: That is July 8.

Hon. Mr. Bales: July 2 or something like that, but until such time as we can get a

final decision on it, or a decision on which the application can be acted upon. I think we have received an interim report from the study and we are checking that with OWRC and others. We may now be able to make a determination as to what parts of that subdivision application can proceed.

But I think it was best to hold it up until such time as we could assess the number of cottages that should be permitted in that particular area.

Mr. Chairman: Vote 1403—the hon. member for Timiskaming.

Mr. D. Jackson (Timiskaming): The department report says in Timagami 35 additional building lots were serviced and a new road completed. Can the minister tell me what services were put into those building lots and who built the road?

Hon. Mr. Bales: You are talking about Timagami, I think?

Mr. Jackson: Yes.

Hon. Mr. Bales: There are sewers, water and roads put in and I think the province put up the money for the roads and for the other services, as far as I am aware.

Mr. Jackson: Mr. Chairman, is the minister saying it is a central sewage system or septic tanks? What sort of a system is being used?

Hon. Mr. Bales: Full services, not septic tanks.

Mr. Jackson: I am somewhat puzzled because if you remember back several years ago when Sherman Mines first started in Timagami area they built a new townsite called Goward just north of Timagami.

Hon. Mr. Bales: What was that?

Mr. Jackson: Goward. And one of the reasons for building that townsite, or at least one of the reasons given to us, was the lack of sewage and water in the Timagami area. They built a new townsite—there are several dozen residences in there—and now we find Timagami is expanding and we are putting in sewers.

I just do not see the rationale in moving part of the townsite 15 miles away and now we find we are able to service 35 lots. Why did we not build them there originally? We now have a townsite sitting back in the bush. It is almost impossible to get people to move into it.

I wonder if the minister can explain why we started to move the townsite and we now are reverting back to Timagami. What are we going to do with Goward? Are we going to move those houses back into the Timagami site?

Hon. Mr. Bales: Well, first of all you had the old townsite itself—Timagami—built on rock. It had water and very little else in the way of services. Now if you are going to provide full services—sewage and so on—you are not going to be able to do that on the original site among all the rock and other things, and hence it was considered it would be better to move to a new site, particularly when the development was going to be enlarged.

The first stage of the development, I think, was undertaken about four years ago; the second stage was developed 18 months to two years ago, and it is going to be a much larger site particularly with the development there of the Sherman Mine, but on the original site you could not have provided the kind of services that were essential for a long term development and the well being of those people, and you had to find a new site.

Mr. Jackson: Mr. Chairman, the minister's answer still somewhat puzzles me because there are fewer than 35 homes in the Goward site and yet your report says that now we have developed 35 additional building lots on the old site, or very close to the old site. At the time they were going to build the Goward townsite this department was told over and over again we should either move the whole town out on to the Goward site or expand the present site.

Hon. Mr. Bales: The new townsite I believe is Timagami. It is in the improvement district there. The information I have is that the first stage of development entailed about 110 lots of which about half are now occupied.

Mr. Jackson: But the Goward site was built because of the problems that existed at that time at Timagami with sewage and water, and it was said they would have to move to Goward in order to overcome those problems, and now we find that we are able to service 100 lots or 35 lots as they already have done at Timagami. It does not make any sense to me that we should have a townsite 15 miles away which we had to service also.

Hon. Mr. Bales: Which one is the member talking about—the old townsite or the new one?

Mr. Jackson: Surely when we talk about the so-called new Timagami townsite we are just talking around the bend in the lake—it is just down on the arm of the lake. We could have done that originally, but we moved it 15 miles away into the bush and that just does not make any sense. And I am sure it does not make any sense to the minister if he thinks about it a little bit.

But at the same time that we were talking about moving this townsite we had a little town of Latchford just a few miles north of the new site of Goward that had no sewers and had no water, and if we were going to spend the money to put in sewers and water why did we not move to Latchford?

We now have three townsites and we have to service them all. It just does not make any sense. And surely if that is what the minister calls planning for northern Ontario, heaven help us.

Hon. Mr. Bales: Is the hon. member talking about Timagami or is he talking about Latchford? I do not—

Mr. Jackson: Timagami, Goward, Latchford—they are all in the same context.

Hon. Mr. Bales: Just a minute, I do not know the district that closely, but it seems to me that Latchford is some distance away from the old townsite, probably about 20 miles, and Goward—which is what is referred to as Gower—is the new townsite in the improvement district of Timagami, and then you have got Timagami which is the old townsite.

I think the distance between the old townsite and the new one is probably five to six or seven miles away from each other, but the original townsite is built on rock and was the kind of area that you could not develop full service on.

The new townsite is such that you can provide the full services, and that is what is being done. The hon. member says this is not good planning, but I think it is good planning if you can pick a site close at hand so that you can have the kind of services that people will need for the future.

Mr. Jackson: The minister is somewhat confused himself. When we speak of these 35 lots we are not talking about the new townsite of Goward, we are talking to the south of the old townsite. What about the lots that are being serviced now—not serviced, but what about the lots into the south that

have just been approved by The Department of Lands and Forests?

Hon. Mr. Bales: The hon. member is talking about Lands and Forests?

Mr. Jackson: The lots have been approved. They are talking about putting septic tanks in. If we could build now why could we not build then? We now have three sites. If you go into the old townsite of Timagami you will find new buildings going up.

Hon. Mr. Bales: Cottages.

Mr. Jackson: Cottages or otherwise—they will be year-round residents. You also have the hotel that is still there that has problems, you have several service stations, you just had a new restaurant built. How are you going to service them? If you cannot service the residential end of it, how then can we service the commercial end of it?

It is my opinion that your department believed that maybe we should move some of the residences out so the business could take over. It does not make any sense that we now have three townsites without water—or maybe one with water and sewage. We have two townsites without reasonable sewage and water, and all of them within a 20-mile radius. If that is planning, Mr. Chairman, I have missed it somewhere, and I think that party has.

Mr. Chairman: The hon. member for Grey-Bruce.

Mr. E. Sargent (Grey-Bruce): Mr. Chairman, there are a couple of things in this vote I would like to ask the minister about under the heading of research and special studies.

I can look back to 10 years ago when this department did a special study of the Georgian Bay area. In the over 100 pages of this report, I doubt if any one single recommendation has ever been put into effect. I suggest that these studies are held to tell the party what it wants to hear, and to hell with the rest of the province.

Mr. H. Peacock (Windsor West): More of his parliamentary language!

Mr. Sargent: The framework is here in this department to administer the affairs of—

Mr. Peacock: He has one of the best attendance records in the House, by half.

Mr. Sargent: Does the hon. member want to speak?

Mr. Peacock: Go ahead.

Mr. I. Deans (Wentworth): He will wait until the hon. member is ready.

Mr. Sargent: I am here in time to take a count, that is all.

Mr. P. D. Lawlor (Lakeshore): What report is that?

Mr. Sargent: Pardon?

Mr. Lawlor: What report?

Mr. Sargent: The Georgian Bay development report.

But the fact is, Mr. Chairman, we have the framework here to do the municipal planning if there is a practical approach to it. We have such things as Harbour City. This document on research issued by the minister has to do with planning for municipalities across the province. Where do you stop in doing planning? Is Harbour City a part of your planning? Or do you allow certain administrations or councils to go their own route? Where do you stop? Do you just do planning for the people you can push around or what do you do?

The thing that worries me—it worried me for many years as a mayor of a city; we thought we would run our own show but in effect we had to come back to the Ontario Municipal Board to spend even a very meagre amount of money. So the concept of this department is to do things that the government wants to do, that fit your pattern or your plan, and there is no uniformity, I suggest to you, if you follow this research on page 89 of your bible. It is a bunch of garbage, because it does not work.

Having said that, I would like to ask the minister how much money he is spending this year and how much he spent last year in the department on special studies, and how are the people picked who do these studies? What is their background? What is the yardstick used to give a couple of guys \$300,000 to do a study for the department or what have you?

I would like to ask the minister also what is his planned approach for tomorrow so far as mobile home parks are concerned? What does his research tell him on that? What does his research tell him as to his approach to trailer home parks? In other words, if people are going to have their own homes, that is the only route they can go; they cannot afford any other type of housing. What does

the minister's research tell him on those things?

Hon. Mr. Bales: Mr. Chairman, the hon. member mentioned the Georgian Bay regional development study. That was a study done for The Department of Treasury and Economics. It is more of an economic study than it is a planning study.

Mr. Sargent: But the liaison was with the minister's department. It was to give you information. That was the reason for it.

Hon. Mr. Bales: Well, not only for our department; it was to give information to a number of departments so we could make plans for the Georgian Bay area and particularly to assist them. I am not ducking the issue; I have to identify that it is in another department entirely rather than our own, of which we benefit from those kinds of studies.

The hon. member, being a former mayor of a municipality, knows that we need overall planning, we have to set down the guidelines and the basic policies for the province, so that municipalities like his own, Owen Sound, can go ahead and develop and make their plans under some positive and practical basis. We need the guidance of local people in planning. We should not go in and impose planning on them. We do assist; sometimes they have people who do not have the expertise to do it for themselves, and we have to give them greater assistance. Where you have a municipality that can develop that kind of expertise—

Mr. Sargent: The point is, Mr. Chairman, we have spent many thousands of dollars—probably \$50,000 or \$100,000—paying these planning firms to come in and do this for us and we cannot afford it.

Hon. Mr. Bales: Well, I think you can. Owen Sound seems to have benefited from the planning that has taken place.

Mr. Sargent: One of the big "buts" as far as municipalities are concerned is paying these consulting firms to come in and do these jobs for us. With the millions it has at its command, the expertise, why does the department not do this for them on a standard pattern for municipalities?

Hon. Mr. Bales: You cannot do it on a standard pattern because municipalities—

Mr. Sargent: But you have the people though.

Hon. Mr. Bales: The municipalities are all different; they are all unique. They have certain different needs that have to be taken into account.

Mr. Sargent: What is the minister doing about mobile home parks?

Hon. Mr. Bales: This subject of mobile homes is a matter that was raised with us by the municipalities and by the trailer camp people. Under my predecessor there was a provincial-municipal liaison committee established, and this was one of the matters raised. It started before I came to the department, but it has been proceeded with. We have a committee made up of equal numbers of the mobile or trailer camp people and the representatives of the municipalities who have these kinds of problems particularly. In the last couple of months—

Mr. Sargent: What is the name of that committee?

Hon. Mr. Bales: It is the provincial-municipal liaison committee.

Mr. Sargent: Mr. Minister, God so loved the world that he did not send a committee.

Hon. Mr. Bales: It is a subcommittee of that, particularly dealing with this specific problem.

Mr. Peacock: Do you think he should have sent Dalton Bales instead?

Hon. Mr. Bales: And that committee has met, I think, at least three times, if not four, in these last two months working on the problem. They were in the office as of last Thursday working on this particular matter, so that we can come up with final recommendations as to changes to be made.

The mobile homes are of a different nature. Some are mobile homes which are used as more or less as permanent homes—

Interjection by an hon. member.

Mr. Sargent: I know, but this is a shocking thing, Mr. Chairman. I have great respect for the minister, but the shocking thing, with the able deputy he has is that in this time of putting a man on the moon, we do not have a plan that affects about 15 per cent of our people across this country. Here we are in the most dynamic province in this country, and we do not have a plan for mobile home parks, so that you can say, "There is the

animal, go to work." It is a shocking thing, and you should get on with it.

Mr. Chairman: The hon. member for Lakeshore.

Mr. Lawlor. Thank you. There is a kind of legal question that has been bothering me for a little while and this seems about the best opportunity to bring it to the attention of the minister. I am a little concerned about the present administration and perhaps the unnecessary complexity of your law touching part-lot control under The Planning Act.

If you go to the land titles office in Toronto, I think with practically every conveyance made these days you have to make out and file an affidavit. For we neophytes who are not working there intensively these days, we find that we sometimes get hung up on these matters. I wondered about the necessity of that.

Was that not designed originally to catch more hinterland pieces of land? Look around Peterborough, as I recall, where Whiterock Estates and other people were dividing land very arbitrarily to their own likes.

In order to stop this particular division of land, particularly if there was retention of adjoining lands, it was felt a wise move. But laws being what they are, you felt you had to bring it in universally, I guess, right across the board—such is the way I understand it. Could we not avoid this whole problem, this extra complication, this irritation? This is somewhat obnoxious. There are enough complications already with respect to registration procedures without having to go over that hurdle too.

Could you not in the Toronto area, particularly in an area like land titles, simply give a direction from your department, that where the whole parcel is being conveyed, the whole of the existing parcel, which no doubt is descended for considerable periods of time as a total entity, where the mere fact that somebody happens to own adjoining land is neither here nor there, could you simply give a direction to obviate that affidavit and take it out of the picture? You would be performing a service to your own profession and giving a boon to the registration system itself as things presently stand. I wonder if the minister has taken that under advisement and how he feels about it.

In other words, I am contending it is unnecessary in the Toronto area with the clear demarcations of land, well set down for con-

siderable periods of time—that Act simply is an obstacle to conveyancing.

Hon. Mr. Bales: Mr. Chairman, I do not want to engage in a minute legal discussion on this, but I think we are both aware of the difficulties in the land titles office of Toronto, and this is where the difficulty is occurring.

The legislation was passed last year to prevent the breakup of lots. Then there was that extra provision inserted in the legislation whereby a municipality could exempt certain plans from part-lot control; particularly plans where there would be a semi-detached home and the division would take place after the house was built.

In the land titles system, of course, they are dealing with a number of isolated parcels of land, perhaps covering more than one lot and I think, bearing in mind the practices in the land titles office, they have inserted on their own an additional precaution, shall we say, of an affidavit that this is all the land that the holder owns. This has been brought to my attention and I am trying to find a way whereby we can overcome the problem within the land titles office and do away with that affidavit and still maintain the practice.

Mr. Chairman: Vote 1403. The hon. member for Windsor West.

Mr. Peacock: Mr. Chairman, several days ago the Windsor Star reported that Windsor's official plan was nearing completion and would be submitted to the minister for his examination. The news report also went on to say that the planning director had received word from the minister's office in Toronto that Windsor would be the first municipality in the province which had achieved a certain independence unlike many other municipalities, in that in the adoption of its secondary plans under an official plan, the approval of the minister, or the examination of the minister—I do not think "approval" is the correct word in this instance—under The Planning Act, would no longer be required and that Windsor could proceed to amend its official plan with a view to more detailed guidelines under the secondary plan without the minister's review of it.

Now, I wonder if the minister could tell me what lies behind that particular exemption of the procedure in Windsor's case and not the other municipalities in the province? Then I would like to follow with a number of other questions.

Hon. Mr. Bales: We have been experimenting, really, in Windsor because we want

to try out different ways of improving and speeding up matters. In that case, it will be the use of what we call a "secondary plan" technique. Under a secondary plan you do not need the approval of a minister. You simply need the approval of the municipal council in that particular case.

Once the official plan is approved then you can use what we call a "secondary plan," which is, perhaps, a modification of it, as long as it complies with and upholds the original principles of the official plan. But under those the municipality can then make necessary changes as they see fit, within certain limitations, on their own without coming to The Department of Municipal Affairs for the minister's approval.

Now, I say to you, as I said in the beginning, it is an experiment. It is an experiment or pilot project. We want to see if it will work and if it will we may well extend it to other areas.

Mr. Peacock: I am sorry. I missed the last part of the minister's answer.

Hon. Mr. Bales: The pilot project is an experiment. We want to see how it will work. We think it will work in Windsor. If it does, we will consider its use in other areas.

Mr. Peacock: Are the changes made under an official plan designated as a secondary plan, or secondary planning, subject to the provisions of section 10 of The Planning Act? Specifically subsection 1, paragraph (d) which requires the planning board to hold public meetings and publish information for the purpose of obtaining the participation and co-operation of the inhabitants of the planning area in determining the solution of problems or matters affecting the development of the planning area?

Does that particular provision of section 10 apply in the case of the secondary plan?

Hon. Mr. Bales: Both the official plan and the secondary plan will require a public hearing within the municipality.

Mr. Peacock: Now, is the hearing the minister speaks of a hearing before the planning board or is it a hearing in the nature of—rather is it action by the planning board—

Hon. Mr. Bales: I would anticipate that when the municipality can change, can make modifications to the official plan, by reason or by means of the secondary plan, then since that is subject to the approval of the council, they would have to hold a public

hearing, as well as the planning board, so that the public could be properly informed and make their objections or comments if they wished.

Mr. Peacock: But I am speaking of a different procedure. I believe that particular subsection 1, paragraph (d) of section 10 of the Act speaks of the planning board holding public meetings for the purpose of obtaining the participation and co-operation of the inhabitants. I am not speaking solely of a meeting at which objections to an official plan can be aired by residents of the community which the plan covers, a fairly formal procedure, one that is likely to take place in the chambers of the city council, or some other form used by the planning board. I am speaking rather of the planning board members, and members of city council and the staff of the planning board and the departments of planning and urban renewal in our cities, in fact, holding what the Act speaks of as public meetings—and I take that to mean, as happened in the case of Toronto which has engaged in the preparation and adoption of an official plan and, I believe, some secondary planning also—the holding of meetings in the neighbourhoods affected by the drafting of secondary plans.

And that is why I seek from the minister an assurance that this particular section apply to any amendment to an official plan designated as secondary planning.

It will be, in fact, that particular initiative on the part of the planning board and council that where secondary plans are drawn up or are to be prepared, those immediately affected by them will be involved in public meetings in advance of the final drafting of the plan.

Now, as the minister knows, Windsor's official plan, which has been revised by consultants, has been put before the planning board, city council and the public, and is now close to adoption.

Sometime in the near future there will be the opportunity to draw clear guidelines for land use within the major land-use areas of the major official plan. And I would trust that at that point those people in the neighbourhood immediately affected by secondary planning would be involved in the manner described in Section 10.

Hon. Mr. Bales: I think it is good practise. In a number of municipalities—in particular my own—while they were not using secondary plans, nevertheless they held public meetings in reference to what they called district plans. And I think it is a good thing to do so.

It requires that you hold a public hearing on the matter before it is adopted. I encourage them to hold public meetings of a discussion nature so people can be informed before they have to make a final decision.

Mr. Peacock: One last question, Mr. Chairman. Could the minister tell me how section 12 applies—the section which requires a plan upon adoption by council? I presume it will be submitted to the minister? Is a secondary plan taken to be an amendment to the official plan, and therefore not caught by Section 12?

Hon. Mr. Bales: No, we bear in mind section 12, but I do not think it necessary that it be strictly complied with in reference to a secondary plan, once I, as minister, have approved the official plan wherein secondary plans are contemplated—because those would be set out and specified.

Mr. Chairman: The member for Wentworth.

Mr. Deans: Mr. Chairman, you know, the minister is fine where there are official plans. At the moment the City of Hamilton, for example, is in the process of drafting an official plan. It is doing a lot of work and drawing up many area plans, and there are proposals for neighbourhood developments throughout suburban areas in the City of Hamilton.

But it is very difficult for tenants and residents to cope with the problems that arise when the municipality decides to rezone a piece of land that previously may have been zoned agriculture for holding purposes, and where the requirement requires that only a few of the residents abutting the property, or in the immediate vicinity of the property, be notified of the change in zoning and the intent or purpose for which the change is being contemplated.

Now, what I want to ask the minister is when Ontario Housing Corporation builds in an area—where it purchases land and builds, as it has done in the east end of the city of Hamilton—and they have built approximately 300 family units there; there are a great many children—do they get hold of the zoning and planning for the area and bring this to the community planning branch before they proceed with the development of their subdivision? Do they do this, in the case of municipalities where it is right within the municipal boundaries? Do they?

Hon. Mr. Bales: Yes, they bring their plans to us in these areas. I have never been able

to find an absolute requirement that they must but it is a practice.

Mr. Deans: But they do it?

Hon. Mr. Bales: Yes.

Mr. Deans: Fine, and when they bring those plans, do they bring the plan complete with the proposed development of all of the abutting lands and adjoining lands in the immediate vicinity?

Hon. Mr. Bales: I do not think there is a standard practice on that matter. I think they indicate, in general terms, the development proposal but I do not think it shows in great detail the exact type of development.

Mr. Deans: Well, in taking a look at a proposed plan, would the planning branch take into consideration such things as traffic flow—

Hon. Mr. Bales: Yes.

Mr. Deans: —in determining the suitability of a location?

Hon. Mr. Bales: Yes.

Mr. Deans: They would. If, then, subsequent to the development taking place—

Hon. Mr. Bales: May I say, just for your information, not only traffic flow but schools, for example, sewage, parks, et cetera.

Mr. Deans: Shopping plazas.

Hon. Mr. Bales: Well yes, general facilities.

Mr. Deans: Well, the reason I ask is to do with a shopping plaza and I want to get something clear in my mind.

Ontario Housing Corporation has built a fairly extensive low rental, or geared-to-income housing project in the east end of the City of Hamilton. Within a year of its completion, the city rezoned from agricultural to commercial a very large area between Highway 20 and Kenora Avenue, north of Queens-ton Road. That means nothing to you, I am sure, but it is within 300 or 400 feet of the housing development.

The traffic will inevitably flow toward, and if not through, at least by or past much of the development that is already there—between a school and the housing.

Now, it would seem to me that when these kinds of changes are contemplated, Ontario Housing Corporation would, in conjunction with the planning branch, pay some particular attention to changes in zoning within

municipalities immediately adjacent to its own developments and that the planning branch might make representation to the municipality in regard to changes contemplated which will affect the lives and perhaps the safety of young people who live in the area because that is where Ontario Housing built.

Now, are any changes contemplated so Ontario Housing will pay more attention to what is happening around its developments so that the planning branch will be able to function more effectively to ensure developments which belong to the Province of Ontario are developed in a way compatible to adjacent facilities?

Hon. Mr. Bales: First of all, you are referring really to practices of Ontario Housing which do not come under me. Bear in mind the appeal on such zoning changes is directly to the Ontario Municipal Board. If an official plan change is involved, then we in The Department of Municipal Affairs are involved in it.

Mr. Deans: Well, I disagree of course and I understand that. What bothers me, though, is that in the interim period, while the plan is being drafted, we are having all kinds of changes made. Cadillac Development is involved in this particular problem, but we are having a great number of development companies, which are purchasing land and having it rezoned.

Now this is going on immediately, prior to any official plan being accepted. It would seem to me that during this interim period, wherever Ontario Housing is at least involved, they should pay particular attention to changes that are being made and that those things should be reported to the planning branch in order that the planning branch can, if it so desires, make representation either to the municipality, as to the advisability of the proposed zoning change in keeping with their overall planning concept, or to the Ontario Municipal Board if need be in regard to the zoning change as it affects the residents of the area.

I think there is a certain laxity, a laxness in this whole thing.

Mr. Chairman: Vote 1403. The hon. member for Waterloo North.

Mr. Good: Mr. Chairman, two more comments under this.

First, I would like the minister's comments on this one problem. Personally, I do not

know myself what can be done about it, and it has to do with applications for consent for property severance of one lot off another lot in the city.

Let us face it, it is a well-known fact that if a person wants the severance and a separation and a consent to separate one lot from an extra large lot that he has, if it should happen that the municipality wants, say 10 feet for street widening, there is just no way the man in question is going to get the consent for the separation unless he gives the land to the city.

Well actually, the municipality is acting in good faith to get its work done at the least possible cost. But on the other hand, I think there is a principle involved here where each transaction should stand on its own merits. If in fact, the land originally, say, was two lots but it is on one deed now and it can be severed and the consent can be given on the merits of whether you will have two properly composed lots after the severance is made, then I think it should be given and the expropriation proceeding or the work that has to be done then, to negotiate a price for the land for street widening, should be handled then as a separate transaction. In many cases—I am speaking of one particularly in the city of Barrie—the city has no immediate use for this street widening but the man in question has immediate use for the property separation to get one lot off. The city said: "Sure, the committee of adjustment would be glad to give consent but we will only do it on the basis that you pay the lot levy which was agreed to, five per cent dedication, plus free land for street widening."

Well, I really think they were—you know, putting the knife in pretty deep in that particular transaction.

An hon. member: Blackmail.

Mr. Good: Well, it is blackmail, as the hon. member said. We all realize that that is what it is and I know that the municipality wants to get the land as cheaply as it can.

But the principle here is that each transaction should stand up on its own merits. They should not give any favours to separate that lot, just to get some land for nothing. Conversely, they should not hold him up from getting a proper consent to separation by making him give the land free because 10 years from now, when they want the land they are going to have to maybe expropriate it and make a monetary settlement with some of the people on the street and for some

reason, in spite of the fact that the municipality is working in the interest of the taxpayers, the whole deal has kind of a dicey smell in my view.

Could I have the minister's comments?

Hon. Mr. Bales: Mr. Chairman, very briefly, if the decision of the committee of adjustment as to the severance and so on is not satisfactory to the applicant then he should appeal it to the Ontario Municipal Board. I know a number of cases where the board has changed the decision over cancelled conditions and so on. That is what the board is there for and people should have that right—

Mr. Good: Mr. Chairman, this particular instance was then upheld by the Ontario Municipal Board. So they were partners and part and parcel to the same deal that the city was trying to make. Well, in other words, the minister has no solution for that problem, but I think—

Hon. Mr. Bales: No, if you have the right of appeal that is what should be done.

Mr. Good: Yes, but the minister does admit that this is the procedure municipalities are using to get land for nothing, where the case permits.

Well, the other point I would like to ask for a brief comment on by the minister is what is the community planning branch now doing to prevent the recurrence of disasters such as Century City? Century City, as you know—

Mr. Deans: You can move Stanley Randall for one thing.

Mr. Good: —I mentioned in my leadoff speech—

Mr. R. S. Smith (Nipissing): He is only one of the five.

Mr. Good: —that the mess that is up there now, it does not and never did fit into the regional development plans of the Toronto-centred region. Similarly, the 3,000 acres assembled by Ontario Housing Corporation in my own area, which is on the other extreme fringe of the Toronto-centred region, did not fit into the overall plan there. So we go right back to the same old problem as to who is doing the planning and we find that everybody is trying to do it, and there does not seem to be any co-ordination; but has the cabinet reached a decision, Mr. Minister, through the Chairman, on Century City, whether they are going to try to let the

developers retrieve something from the wreckage and maybe do something with the area or, if they block it, is it going back to the farmers, or what can be done for that particular area? The situation is reaching crisis proportions in the area where people are not getting their payments; they cannot foreclose on their mortgages and buildings are falling into wrack and ruin. The development, as I understand it now, is of a very questionable nature and is awaiting cabinet decision.

Hon. Mr. Bales: In the long range I think what we need to stress and what we are stressing is regional planning. On that particular problem that you are dealing with, this is one of the conflicts to be resolved in reference to the Toronto-centred region plan. Of course, it is directly under The Department of the Treasury, but this department has a part to play in that and those conflicts are being worked on now to try to resolve them. There are a number across the northern part of Metropolitan Toronto and to the west and to the east. The Treasurer stated, I think, in March that it would be resolved hopefully before six months or within six months, and I think, from my knowledge of it in the interval, that that will certainly be done.

Mr. D. M. Deacon (York Centre): Mr. Chairman, just following up that question. In principle, I am interested to find out the minister's attitude toward developments in general of this sort—whether he prefers to have developments occur around existing communities or have someone try to start something brand new in the middle of a lot of existing communities; so it is not in the middle, but is quite disruptive of what the planning pattern had been as developed by the communities in the neighbouring area. What is the minister's attitude in such planning? Does he encourage planning around existing communities or does he encourage the type of situation that Century City involved which is a brand-new thing set out in the middle of the countryside?

Hon. Mr. Bales: If an existing municipality, or an existing development, has an official plan or can develop an official plan, so that there is proper planning control or regional planning, then I think it is better that they develop it around the existing area rather than start fresh. But I think it is important that there be a basic plan there.

One thing I would just mention is that we have a new regional government north of Toronto, in your particular area—York regional

government. Now there are a number of conflicts that have to be resolved as between Metropolitan Toronto and the York region area, so I have established a working committee of chairmen of those two areas who meet with me on a regular basis, and with their officials. So we have an area, or a means, whereby matters that have to be resolved between them for the better running of the two areas can be resolved directly, rather than corresponding back and forth, and that committee meets on a regular basis, as I said, in my office, under my chairmanship, so that they can function, bring their problems there, and we find a way to resolve them if possible. If not, we will find a means whereby action will come about.

Mr. Deacon: Mr. Chairman, I commend the minister for working in that direction as between Metro and York region. What about the areas to the east and the west? Is there a similar relationship? Or is it the minister's intention to have one group which meets regularly with the minister that involves this whole Toronto-centred region in order that the planning might be co-ordinated?

Hon. Mr. Bales: It may develop in time but it is not the situation at the moment because there are not any regional governments east and west.

Mr. Sargent: Mr. Chairman.

Mr. Chairman: The member for Grey-Bruce.

Mr. Sargent: I have a short question. I missed that. Is this going to be allowed to proceed, this development of Century City?

Hon. Mr. Bales: What one is that?

Mr. Sargent: Is Century City going to be allowed to proceed?

Hon. Mr. Bales: Century City is one of the conflicts that has to be resolved in reference to the Toronto-centred region context and the Treasurer said that it would be resolved within six months, back from March, and I expect it will be. I know that there are certain works that are going on in reference to those matters in discussion and I know there is a number of them in the area west of Toronto, and in areas to the east. There is a number of these matters that must be resolved and the work is proceeding fairly well on them.

Mr. Sargent: Mr. Chairman, very briefly, I know the minister inherited this but the

brief they have submitted in the final paragraph says:

In summing up, it is obvious that the development must be allowed to proceed. The concept has been supported in principle by the township council, editorials in all local newspapers, and our legislative representative, Dr. Dymond. In addition, the province through its cabinet ministers did not object nor indicate that the concept was improper or contravened any provincial planning principles prior to its inception. Accordingly, this committee now urges the province to allow the project to proceed and that such decision be made as quickly as possible.

What happens that the autonomy of all these people has to mesh or jibe with the overall Metro picture? Why cannot these people run their own show? What has happened to democracy?

I want to say that the other day I was talking to a chap and he asked me what I thought of the Minister of Municipal Affairs? I said I thought he was a very able minister. If anyone could get any sense out of Municipal Affairs, he could. He said one night they were worrying about the sidewalks up in Etobicoke there. They got into their cups and at midnight they phoned the minister and asked him if he would come across to their house and talk to them. He came across to their house at midnight and he heard their problem and he solved the fact that there would be no sidewalks. That is why they all vote for him up there because he took the time one night at midnight to go and solve their problem.

Mr. Lawlor: Is that right?

Mr. Sargent: I think this minister will do a good job.

Mr. L. A. Braithwaite (Etobicoke): Not in Etobicoke, I do not think.

Mr. Sargent: Well, it was up that way some place.

Mr. J. Renwick (Riverdale): The minister was in his cups.

Hon. Mr. Bales: The hon. member thinks I was in my cups.

Mr. Sargent: No, no, I did not. I said he was not. They were.

Hon. Mr. Bales: Just a minute. May I clear one thing up? I do not represent Etobicoke.

Mr. Braithwaite: They have a good member up there.

Mr. Sargent: It was up that way some place. But the fact is that with the deputy minister the minister has he can do a job in solving this mess he has inherited. What happens to the fact that these people in their democratic principles make these decisions and then God comes down from the minister's department and says, "No dice, it cannot work?" What is happening to our system?

Hon. Mr. Bales: Bear this in mind with reference to Uxbridge township, I am advised that the present official plan for that area does not contemplate Century City. The zoning bylaws for Uxbridge do permit the development.

Mr. Sargent: Amend the plan then.

Hon. Mr. Bales: All right. But these are the officials of the area and it is their official plan and it is their zoning bylaws, but they have not amended them to accommodate Century City as of the present time. A number of individuals have decided they would like to develop a Century City in that locality, but the zoning bylaws have not been changed by the duly elected officials of the area.

Mr. Chairman: The member for Lakeshore.

Mr. Lawlor: I was not going to do this to the minister, but, sitting here listening, I thought it might be a good idea. I wonder if I could draw from the minister any notions with respect to how his department approaches city planning and municipal planning. What are the ingredients that go into its notion of what a city ought to be?

Perhaps the best place to start would be with the city of Los Angeles. If the minister has been there on occasions, he knows that there is a city that lacks a soul. Aldous Huxley once called it the city of dreadful joy. It is an amorphous, inchoate mass lying there by the Pacific without any central purpose, without any rhyme or reason.

Place that city in your mind, that particular kind of megalopolis in your mind, over against the kind of city, as I understand it, that, say, Jane Jacobs would propose. She thinks there is nothing wrong with very large concentrated cities provided that the cities—I think she works basically on a neighbourhood conception that the cities are made up of individual small towns or villages within the city, each with a wide and deep mix of commercial development, of maybe a little

apartment dwelling, even highrise, people living in houses, in condominiums, in any number of things, with a mixed commercial content, where the neighbourhood has a definite character and where one walks along the street and greets one's neighbour, gets to know the people. People are not hived off in some kind of secluded, or elite, or whatever it happens to be, portion divided from their fellow man, and leave their highrise apartment at the top of Spadina Road, drive down in the isolation of their motor car to their office and pass no living human thing nor pass a human word in between.

I think that the contention there is that there is something dehumanized, something deeply alienated, about great cities that operate on that particular principle and that the human beings who come out of it are deeply mentally ill, which is usually the case, and therefore full of paranoia, full of hate, fear, anxiety, what you will, on the one side of the fence. I think the life in the cities that you build breeds this kind of human being—that the environment in which we live is terribly determinative of how sanguine or generous or able to enter in to the lot of other people we may be.

When you go into the planning, does the minister take those psychological, moral or sociological features into consideration? Where does he put his weight?

Let us take the highrises as an isolated example. Again, as they have existed—the ones that Hellyer took issue with, for instance—there were no communal amenities supplied. There was not that proper mix. There was not even a coffee shop in the basement, or on the first floor, in which they could reach some common form of rubbing shoulders or camaraderie or just simple human contact. They lived in boxes in isolation and went out from there to whatever places they found their amusement, or even to sit in a restaurant and have a piece of pie.

On the other hand, I think that the high-rise need not be a completely inhuman form of box or machine. On the contrary, with swimming pool facilities, with a coffee shop somewhere in the building, with perhaps other shops available or places where people can meet, a little restaurant, a park, there is then set up within at least that cell in society a possibility for people opening out and coming into more rapport, more understanding. They can talk to one another in a way that the present highrise, by and large, does not bring about.

I could spend a good deal of time on this. As you can see, it is a whole theory of cities as to what they ought to be, what they can be, but to foreshorten it, to get these estimates over with, I would ask the minister if he has given much thought to, or has his department given much thought to, what the constitution of cities ought to be, as to whether or not he thinks the megalopolis, the very great city, the milliard-denizen city, is inhuman and breeds impersonality and conflict, or whether he thinks it is or can be, and under what conditions it may be, a humane institution developing the highest kind of intelligent rapport.

We never grow either, in terms of our personalities which cover our whole selves or in terms of our ability to think, unless we are constantly sparking ourselves against other people—not grating, just sparking. People go through their lives like some morose, most self-enclosed creatures, which is the tendency in contemporary society, to move through the area of millions without saying a word, and without anyone addressing you.

This is quite possible, this terrifying isolation of the cities, the more people who seem to be concentrated together like rats in a warren of some kind. I say to you it seems to me that it need not be so, but if it is not to be so, it is not along the lines of the inchoate, chaotic growth that our cities have experienced. The other development, the way of increased personality, would have to be deliberately planned. Does the minister's department have plans afoot in order to plan cities, in this particular way? Does it give some credence to the Jane Jacobs theory of neighbourhoods which have a geographical and soul centre where people congregate and recognize it? Does it seek to plan cities, at least, to any degree to give effect to that?

So far as I can see the developments up along Avenue Road or through many areas of the upper part of the city of Toronto have no sort of feeling in this particular regard, except for the bee conception of the highrise, which is usually a fairly palatial type of thing, where the possibility of some movement between the individuals is concerned. But as far as the relationship with the local community is concerned, there is not any. They are absolutely cut off. You watch along a vista, as far as the eye can see, building after building rise, knowing that all these human beings there, and that, except perhaps within the confines of their own buildings, their brick and mortar, they have no ties to or organic roots with or any type of beholding or loyalty to the wider community, nor is any

access given in this particular direction by the way in which we permit buildings to go up.

There are a few thoughts that I thought might just be injected into the estimates this year on Municipal Affairs, and I would be pleased with whatever the minister has to say about them.

Hon. Mr. Bales: Mr. Chairman, I think the hon. member makes a number of good points, and he raises questions of much concern. The Toronto-centred region concept, I think, is an attempt to look at large urban areas such as this, to see what additional needs must be provided or met over a long period of time. Are we just going to let cities grow or sprawl out without any provision for those extra amenities, parklands, and so on, that we need? I do not know Los Angeles well. I have only been there once. It seemed to me it just spread over a vast area of land.

Mr. Sargent: The minister has not missed anything.

Hon. Mr. Bales: I have not missed anything. I have been there once. But some few years ago I spent four years on the council of North York. At that time we were just beginning the multiple-family, highrise development in that borough, and we had to take into account the social as well as the economic needs. I recognize, of course, it is easier there where one has—

Mr. Sargent: Or the political needs.

Hon. Mr. Bales: Yes, the political needs. But when you have developed the areas from the beginning, you have seen highrise apartments put adjacent to many single-family home areas, but they are integrated with shopping centres and recreational facilities, and so on. It is easier there than when you have a rezoning in the heart of a city. It tends to provide those kinds of extra social or other facilities that are needed for the people who will live in that highrise development. It is difficult to do in those cases, but I think it is extremely important, if you take into account the social needs of the people that will live in these different types of housing developments.

Mr. Sargent: Mr. Chairman, in the last section of this vote, the minister is asking for an increase of about \$400,000, about half a million dollars increased to \$1,200,000 for research and special studies. Over the years, in this department, many millions of dollars under this vote have gone into research,

special studies, for planning functions, and so forth. I would like to ask the minister, does a local issue like the saving of a seat for the member for St. Andrew-St. Patrick (Mr. Grossman), does that supersede all planning so that you would close the Spadina Expressway?

For the last 10 years you have been planning this thing. What supersedes a planning picture that cost us millions of dollars? How does saving a seat for this man become more important than—

Hon. A. Grossman (Minister of Trade and Development): Do not forget to tell that to the Liberal candidate in my riding, that I was responsible for it.

Mr. M. Shulman (High Park): That will not save your seat.

Mr. Sargent: How does the minister then relate this fact that we have spent X millions of dollars to this point on this project—

Hon. Mr. Grossman: My colleague says the seat has not been saved.

Mr. Sargent: How does he relate the fact that Fred Gardiner says that—

An hon. member: The minister had better be there all the time.

Mr. Sargent: —regardless of what the Premier (Mr. Davis) said, that Spadina will be built. He says in a quote on the front page of the Star: "The Premier obviously is playing politics; he did it to gain votes."

Mr. Peacock: The member must be trying to establish a presence in this Legislature.

Mr. Sargent: I never could with the member for Windsor West here. I never can.

How does the minister then justify his saying: "Okay, we will give you \$1.5 million for research", while anytime along the pike you can flick out and say: "Well, we are going to be expedient and cut off an expressway to save a seat for a member"? Is there any sense in us discussing money at all?

Mr. Shulman: Maybe they had some other reasons.

Hon. Mr. Bales: Just look at the estimates. You will see that much of it is applied for other projects—for example, Wasaga Beach, and so on. The Premier in his statement with reference to the Spadina Expressway was, I think, clear and concise in the way he put it.

He was thinking of the planning in the broader aspect and I think we—

Mr. J. R. Smith (Hamilton Mountain): New wave.

Mr. Sargent: Would the minister care to comment on the statement of Fred Gardiner that it will be built after the election?

Hon. Mr. Bales: No, I think the Premier's statements—

Mr. Sargent: Then Mr. Gardiner is wrong. It will not be built, the minister thinks?

Hon. Mr. Bales: No, the Premier's statement will hold.

Vote 1403 agreed to.

On vote 1404:

Mr. Chairman: Effective local government. The member for Grey-Bruce.

Mr. Sargent: Mr. Chairman, this public account makes interesting reading. Before the minister came on the scene we established in this government—at least, it was to have been established—a purchasing department. We have an expenditure for stationery of \$822,000 to a firm called Cambrian Stationers—\$822,000.

Mr. Chairman: May I ask what this has to do with this vote? It is regional government—

Mr. Sargent: We are talking about efficient local government, right?

Mr. Deans: No, effective.

Mr. Sargent: I am sorry. Not on this vote?

Mr. Chairman: We do not just—

Mr. Sargent: Effective local government.

Mr. Deans: That does not make it efficient.

Mr. Chairman: May I just explain that that is part of the public accounts for a previous year, which is money spent. This is the estimates of the—

Mr. Sargent: Oh, come on, Mr. Chairman!

Mr. Chairman: No, no—

Mr. Sargent: We have a chance to speak on this minister's department, on how he spends his money.

Mr. Chairman: Oh, you may refer to it as an example, but—

Mr. Sargent: You bet your boots, I may.

Mr. Chairman: —do not ask too many questions about that.

Mr. Sargent: Why not?

Mr. Chairman: Because that is not the place for this.

Mr. Braithwaite: Better give up. You cannot win.

Mr. Sargent: What do you mean, do not ask too many questions about it? It might be embarrassing to the government?

Mr. Chairman: No, I mean you cannot ask questions on the public accounts on money that was spent a couple of years ago. We are studying the estimates for the year 1971-1972.

Mr. Sargent: You must be kidding, eh?

Mr. Chairman: No, I am not.

Mr. Sargent: You must be kidding.

Mr. Chairman: You can refer to them if you want to illustrate a point, but that is about the extent of it. You cannot ask detailed questions during these estimates.

Mr. Sargent: Where would you suggest we do ask these questions?

Mr. Chairman: In public accounts committee.

Mr. Sargent: The minister does not answer for his department then?

Mr. Chairman: This is not what I said. There is a place to study questions about the public accounts—that is, money that has already been spent as compared with this particular phase in the operation where we are discussing the estimates of money about to be spent for next year, the plans for next year.

Mr. Lawlor: The member could use it as an illustration.

Mr. Chairman: You may refer to it as a reference on which to base some up to date remark, but—

Mr. Sargent: How do you justify spending almost \$1 million dollars for stationery from one firm?

Mr. Chairman: That really has nothing to do with this vote.

Mr. Sargent: I want to find out. My money is being spent not his money.

Mr. Chairman: Maybe the minister can give you a quick answer.

Hon. Mr. Bales: Mr. Chairman, I do not want to breach any of your rulings. If I can help the hon. member I would be glad to do it. You appreciate that I do not know all the details but this, I believe, pertains to the take-over of the assessment arrangements by the province. They had to take over a large number of municipal assessment departments, bring them within the department, and provide new office equipment and so on. This was done on a tender basis. I believe there was a strike involved at the time and these people were one of the tenderers; the second lowest, I believe. The lowest tender could not be accepted; it defaulted because it could not provide the equipment.

Mr. Sargent: May I ask how the minister would know that, not being in the department? How would he know it?

Hon. Mr. Bales: I did not know it in detail. I have a very able staff who try to keep me acquainted on matters that you may raise.

Mr. Sargent: As a matter of policy—estimate policy—was this large expenditure on an item like stationery, not placed through the purchasing department?

Hon. Mr. Bales: I am advised by the executive director that they called for quotations through The Department of Public Works.

Mr. Sargent: It was not placed through purchasing?

Hon. Mr. Bales: Through The Department of Public Works.

Mr. Sargent: As a matter of policy here, another thing—

Mr. Chairman: That would be vote 1401, departmental administration. This vote, 1404, has to do with local government, regional government, this sort of thing.

Mr. Sargent: Well, the systems development.

Mr. S. J. Randall (Don Mills): Let us get back to the subway in Owen Sound. That is what we want to hear about.

Mr. Sargent: We sure as hell would never have got it while you were there, I will tell you.

Mr. Chairman: Sit down for a few minutes.

Mr. Sargent: You just built them for your friends, that is all you did.

Mr. Randall: Get those gophers in there.

Mr. Sargent: As a matter of policy in this department—the systems development. Are you with me on this thing, Mr. Chairman?

Mr. Chairman: You may ask questions about systems development, yes.

Mr. Sargent: That is good.

Mr. Lawlor: Tell us what you think about Ontario Place?

Mr. Sargent: I have not got that much time.

Mr. Shulman: You could probably tell that in 10 seconds.

Mr. Sargent: That is right. Why are you paying the Institute of Municipal Assessors of Ontario \$36,000?

Hon. Mr. Bales: We passed the assessment vote.

Mr. Chairman: Actually, I might point out this is something that should possibly be discussed in the public accounts committee. He may ask about the functioning of systems development, whatever that might be. But as to any items where money was spent, this is not the place to question those expenditures, the reason being that this money was spent years ago, and we are studying estimates.

Mr. Sargent: What is the policy of the government then, Mr. Chairman?

Mr. Chairman: That is different.

Mr. Sargent: The policy of the government as far as paying the Association of Municipal Assessors \$36,000—what for? That is a group of independent assessors across Ontario. Why should you be paying them \$36,000?

Hon. Mr. Bales: I am trying to locate that figure.

Mr. Chairman: I think you are still taking items out of the public accounts of two years ago.

Mr. Sargent: No, just a moment. If the minister does not know that, his deputy should know that.

Mr. Chairman: I think you will have to get the information some other way. The hon. member for Wentworth.

Mr. Sargent: I do not think so, Mr. Minister. Does the deputy not know?

Hon. Mr. Bales: We are working on estimates. The hon. member is working on public accounts.

Mr. Sargent: Well, Mr. Chairman, I would like to know if, from here on, in any discussion of the expenditures, we cannot refer to the public accounts.

Mr. Chairman: Not in detail, no. If there is something registered—

Mr. Sargent: What do you call detail?

Mr. Chairman: Well, if you are talking about policy, you sometimes might be able to point to the public accounts as an example or something, but not to question items of expenditure from the public accounts books, because that was money spent two years ago.

Mr. Sargent: What are we sitting here for anyway then?

Mr. Chairman: We are studying estimates, the future spending.

Mr. Peacock: Those of us who were not here last week know the answer to that question.

Mr. Sargent: Is this the policy of the government or what?

Mr. Chairman: The member for Wentworth.

Hon. Mr. Bales: Mr. Chairman, once again—

An hon. member: You are on your feet. You know the answer.

Mr. Chairman: The hon. minister may be helpful in his generosity.

Hon. Mr. Bales: We may have some information for you. I am not positive, but I think it relates to the moneys that we paid to Queen's University for a course for the training of municipal clerks and other officials. The province pays part of that money as a subsidy to the municipality and the individual pays the balance. I think it is that money which we expend to upgrade the administrative staff of various municipalities throughout the province.

Mr. Chairman: The member for Wentworth.

Mr. Deans: Thank you. Mr. Chairman, I have spoken with the minister and his pre-

decessor a number of times about regional government and I want to deal with the delays that have taken place in setting up a regional government in the Hamilton-Burlington-Wentworth area basically, and to talk about other regional governments for a moment.

I said for some time that if the government had established the boundaries without putting into effect the actual region itself until such time as the financial structure was worked out, the municipalities would have come together and would have sorted out the planning and a lot of the functions for which there are duplications of services existing at the present moment. Within a year we would have found the area of the Hamilton-Wentworth-Burlington region, of its own volition, would have established itself for all intents and purposes, and it would have planned its own functions.

I think that the minister, by his delays in setting the boundaries and by establishing an implementation date—whether that date was a year or two years from now, I suppose, is immaterial—has created a chaotic situation that is resulting in many of the municipalities backing off. I would like to know if the minister could tell me what kinds of on-going meetings there are between the municipalities involved in the Steele commission report and the department, and between the municipalities and the other municipalities, to determine whether there is any progress being made toward the resolving of the one stumbling block, that being that Burlington does not appear to want to be a part of it. I do not agree with the reasons that Burlington gives, but that is neither here nor there at this point. Whether I agree or not is not going to solve it. It is whether you agree that is going to make the difference this day and this year. And—

Mr. Gisborn: Whether he agrees with the predominant majority and gets off the political hook. That is what counts.

Mr. Deans: It seems pretty evident to me that the previous Minister of Municipal Affairs felt a great deal of sympathy for the boundaries that were set out in the Steele commission report. He indicated in a speech I do not have in front of me that he was going to allow Burlington sometime to try to assess for itself what it was going to miss if it did not become part of that region. I took that to mean he felt, in his judgement, if he had to make it, that perhaps he would have judged that Burlington ought to be a

part of the region. All of the criteria that were set up by this government, with one exception—that being community participation—every other single criterion points to the fact that Burlington and Hamilton in fact are one community. They have similar interests—almost identical interests in most instances.

Anyway, I suspect, no matter what I say in this House, nothing is going to happen at this stage until after the next election. And I want to just register with the minister my disappointment that the department has not been able to set up the boundaries and say that these are the boundaries we are going to have, and we may not implement those for a year or 18 months until we set out the financial structure. But in the interim period, the municipalities should attempt to put together the infrastructure that would be required to develop, to amalgamate those functions which can be amalgamated, and to put under one head those functions that will inevitably become one function within the new regional administration.

I received today two petitions, and the one I want to deal with first of all is from the Wentworth county council, which represents a fairly sizable portion of the Hamilton-Burlington-Wentworth region. It is in regard to a preliminary waste management study, and I am using it simply to show the minister the kind of co-operation that he could have expected from the total area if he had just established boundaries—regardless of the implementation again.

They have asked in a letter, a copy of which was sent to the Minister of Municipal Affairs, that they want the government to finance an in-depth study of the possibility of sewage treatment for the entire area—something that we all desire, something that has to be done. It shows pretty clearly, by way of the resolution of the county council, that the municipalities involved are eager to participate in matters that are of mutual concern to each one. If we were now to turn around and assist them in this particular endeavour, I think this would go a long way toward easing the pressures of regional government for the area.

I think this perhaps would be one of the initial steps in showing the kind of co-operative effort and the kind of results that you could expect from an overall planning function such as providing sewage facilities. I hope that the Minister of Municipal Affairs will move very quickly, within the next few days, to endorse what has been asked for by the

county council and to urge his counterpart in Energy and Resources to do the same so that we will have this kind of thing going on and so that we can use that as an example for the municipalities, including Burlington, to hold up as an example of what can be done.

The other thing I want to raise with the minister is that there was a petition circulated in a part of Beverly township, which presently falls within Wentworth county but which was under study as part of the Waterloo regional government study. A petition was sent to the minister on behalf of two-thirds of the residents of that tiny part of Beverly township that appears to be going into the Waterloo regional government area. Those residents, together with the Wentworth county council, feel that their community interests, their general interests and their participation which they normally have, all flow toward the Wentworth region. They are asking that special consideration be given to leaving them where they are most comfortable. That again is a part of regional government.

If, on the one hand, you are talking about a small—in percentage terms—group of Burlingtonians being able to influence government, then surely when a very sizable portion of another area puts forward a petition, it ought to be able to equally well influence the government in its thinking. There is no question that this area of Beverly township has always felt that it flowed more toward the Hamilton-Dundas region than it did away from it. The farmers and the residents of that area have travelled in that direction for most of their recreation and, for that matter, for most of their foodstuffs and, in effect, this particular portion belongs in the Wentworth region.

I urge the minister to pay particular attention to this and to recognize that the objections that they are putting forward are not self-seeking. They are not objections that are being registered in an attempt to maintain autonomy; they are not objections that are being registered in an effort to have self aggrandizement; they are simply objections being registered because they happen to feel that they and their children fit better into one region than another. I ask the minister to give that consideration and to make sure that when the time comes for the establishment of the region that Beverly fits into the Hamilton-Wentworth-Burlington region.

Mr. Chairman: The member for Sudbury.

Mr. Sopha: I am informed that it is appropriate to make some remarks on regional government under this vote, and I want to do so in respect of the implementation of that scheme in the Sudbury basin. The prospects of regional government for the Sudbury area do not augur well. Without wishing to indulge in any untoward criticism of the present minister, I just have a faint suspicion in my mind that at the time that he became responsible for the affairs of this department, there was some kind of message came down from the great heights, the residue of all power in the government, that perhaps we should go slow on regional government in Ontario, that the government should put on the brakes and backtrack a little. It is well known that the former Treasurer, the now Minister of Transportation and Communications (Mr. MacNaughton), is a foe of regional government, both in concept and implementation.

We have had a plethora of committees. We started off, I suppose, with a study by Sawchuk and Peach, the regional study of the basin. Then the government appointed J. A. Kennedy as chairman of the Municipal Board and he made a report which, in many ways, was more intelligent and progressive than the report which followed it. I refer to the proposals that came out of the recesses of The Department of Municipal Affairs, which the minister presented to the assembled local politicians on March 11 of this year. Having presented his report, he appointed another committee. I do not exactly know what it is to look into, but that committee is called an inter-municipal committee, rather unwieldy in numbers though. I think it has a steering committee, and the city of Sudbury has done—the council of the city of Sudbury, has done what is so typical of it,

When they became annoyed, the members of the council appointed to the inter-municipal committee resigned, and refused to attend any future meetings. Now, everything is just great, but all part of a consistent pattern that has plagued the area for a long time.

I do not say anything here that I have not said to the local politicians personally and looking them straight in the eye, and I say that in respect of a great many of the local politicians throughout the basin in Sudbury, there is a very unique form of purblindness, even myopia, that sort of envelops them and constrains them from seeing the totality of the picture.

Now what is the totality of the picture? I speak not of the implementation of regional government in any other area of the province.

I am not concerned about Niagara and I am not concerned about Muskoka, and I pay no heed or attention to Kitchener, but I am talking about Sudbury, and I maintain as a matter of principle that the only intelligent way to approach the concept of regional government is to look at the unique characteristics of the area, to maintain a fixation upon the individual area, and to try to prevent yourself from engaging in the expostulation of general principle, because some areas may be apt for regional government and others not.

Sudbury is peculiarly suitable for a system of regional government. What are the indications? Not only are 100,000 of the 150,000 inhabitants, two out of three, directly dependent upon the mining industry. That is a very significant trait. Two out of three are directly dependent. There is a common bond of economic activity.

Now the other side of the coin is of course that the mining industry dominates in a very far-reaching and pervasive way the life of the basin. Those are the two sides to the coin; that dependence on and the domination of the mining industry. It is the only significant industrial activity that takes place. Now before leaving it let me say that one must view the mining industry as a generator of problems.

It makes problems for municipal legislators. Councillors are always in the wake of the activities of the mining industry, they are always trying to pick up the sequelae that flow from the initiation of their projects and their development of their ore bodies, the location of their massive plants in the refining and the concentration of the ore.

That is a fact of life in Sudbury, so I leave the economics and I turn to the geologic and geographical, the whole area of the basin—let us say 25 miles wide, 20 miles from north to south. Let us say, the whole of the area is encompassed in a geologic anomaly.

It is, to speak by way of analogy, at the bottom of the saucer—a high rim of hills all the way around the basin, and all of the residential areas and the mining activities take place in the lower portion of the saucer. Now, that gives a form of cohesion. That geologic fact descends into the lives of the people who live within that anomaly.

Now, let us go to another. It cannot be said that any problem faced by municipal councillors in the Sudbury basin is unique to any municipality. Not one. The problems have no respect whatsoever for the artificial, man-made, fictional boundaries which previous

generations have instituted by way of segregation of the various areas into individual municipalities.

The problems cut across those boundaries, and are shared by all the inhabitants, all the 150,000. If we are talking about sewage disposal; if we are talking about the supplies of fresh water; if we are talking about the optimum utilization of land; if we are talking about arterial roads, highway networks, means whereby people get to work; if we are talking about housing, then we see that all of those problems affect every municipality in the basin.

There is a cohesion from the fact that they are faced with common difficulties. Now, let me go to the quintessence of that and to select one, which is an example but will illustrate with force what I say. Hospitals—all of the major hospitals are located in the city of Sudbury—three of them. One is to be a new building to replace one that is archaic and obsolescent. Well, many of the local politicians are unable to see that provision of hospital facilities is a common problem for a person whether he lives in Levack at the west end, in Wahnapiatae at the east end, in Drury, Denison and Graham in the city of Sudbury, or in the town of Capreol. They all resort to one of the three hospitals. What could be more logical or rational than that the cost of the erection of the hospital facilities and their maintenance, so far as the portion of the cost that descends on the local level—what could be more rational than it be paid for equitably by all of the inhabitants of the basin? It is a common institution, and through their assessment they all ought to pay their fair proportion of the cost.

Strangely enough, I report to the House, notwithstanding that the provision of hospital care is an acute matter of great concern to many people in the Sudbury basin, when the minister came to town on March 11 and was given the respectful hearing that he got before an assembled group of 400, he did not even mention hospital care in his report. It had to be pointed out to him subsequently that his report, the proposals that emanated from his civil servants, did not even acknowledge that the problem existed.

Well, where have we got to? We have got to the point where there seems to be little in the way of prospect that we will have regional government by year's end, though just about everybody in the basin was expectant that it would start, if not in mid-year of 1971, at least by January 1, 1972. But there is a

gloomy attitude of despair among a great many that progress is not being made. The minister has asked for additional briefs, and I think the end of this month marks the deadline which he has set for the receipt of them. I had thought of sending him another one. I have sent many in the past. I thought of sending another one, but I preferred to make my remarks on the floor of the Legislature.

Now, I say to my friend from Kitchener (Mr. Breithaupt), there is a very interesting result of all this. Well, one is impressed by the fact that because of the tardiness in the implementation of a scheme of local government, the International Nickel Company and Falconbridge Nickel Mines must be laughing in their cups because they are deprived of the necessity of paying taxes. I calculate that between them they are saving something between \$3 million and \$4 million for every year that goes by, and now there have been three of the years—I will be corrected; there may be only two—two of the years have passed through the calendar, since the mining installations became assessable by Act of this Legislature, they have escaped their fair burden of taxation. They simply have not had to pay it, so they are saving something like between \$6 million and \$8 million by reason of the fact that their installations are outside of the large centres of population, in company towns, isolated communities where there is no motivation to tax them—the town of Copper Cliff, the township of Falconbridge, the town of Levack, to name the three most significant. There is no motivation to tax them.

Sudbury desperately wants to get that massive industrial complex to the west within its boundaries so that it can send the tax bill. I say by way of qualification that the regional school board sends the tax bill. They send the tax bill. They get paid. A unique thing I report to the House—and many members will be interested in it—International Nickel must be the first company in the history of the world whose total assessment for its capital plant is less than its profits in one year. The minister—or the provincial assessors—has them assessed at something like \$120 million and, by George, I am going to say on the floor of this House what is said in Sudbury very often: The previous Minister of Municipal Affairs hired as his chief assessor in Sudbury a former employee of the International Nickel Company. He was the chief assessor in Sudbury, the former employee. He made the assessment at \$120 million and shortly after it was

accepted by government, he quit. He disappeared. He went to another employment.

Let me return to what I said. It must be the first company in the history of the world whose net profit after taxes is not less than its total assessment. That is a terrific return.

Mr. Peacock: You are not going to punish effort?

Mr. Sopha: There is more. The \$120 million assessment compares with net profit last year of \$208 million. Somebody can work out the percentage of that.

An hon. member: A tenth

Mr. Sopha: The total assessment by this government for both companies, for all of their massive industrial plants in the whole of the basin, is a niggardly \$250 million.

Mr. Jackson: Did they tell you they did not assess it? They estimated the value.

Mr. Sopha: It is \$250 million.

Mr. W. Hodgson (York North): Why do you not appeal it? As a taxpayer and public citizen, why do you not appeal it?

Mr. Sopha: That is their total assessment. I forget how much Falconbridge Nickel Mines makes; it will not come readily to mind what their net profit was last year, but it must be far more, also, than their total assessment.

Mr. W. Hodgson: I do not want to hear that.

Mr. Sopha: How much would that generate? Well, if you took a mill rate of 30 mills and spread it out over the whole of the basin—that is 20 municipalities we are talking about—it would generate \$7.5 million, which I have said on many a public platform to many an audience in Sudbury is about half what they should pay.

Mr. D. A. Evans (Simcoe Centre) Why do you not appeal it, as the hon. member for North York said?

Mr. Sopha: It is about half what they should pay—\$15 million.

Mr. W. Hodgson: Why do you not stop complaining?

Mr. Sopha: Fifteen million dollars would not be an unreasonable figure, because we would be saying to those companies, "You have a responsibility for the provision of municipal services to the population that

works for you and creates those profits that you have. Those people are a first charge upon your financial responsibility to provide them with municipal services." And \$15 million coming off the top, distributed equitably and fairly, throughout all the basin, would not be an unreasonable impulse, and the fact is that I firmly believe that Inco would be ready to pay it.

And, indeed, let me say here that the International Nickel Company, so far as regional government is concerned, has been far more progressive than the local politicians and The Department of Municipal Affairs. Their horizons are far wider than either of those groups, because Inco officials have said time and time again in the Sudbury basin: "We believe in regional government. We want to see our taxes spread out over the whole of the basin, equitably and fairly, to support the people who work for us in the provision of municipal services to them no matter where they live." The Inco people have said that.

All right, I will leave that. It is a matter of despair that this government has been so slow in nudging and cajoling and pushing the local people into a rational system.

But I cannot leave it without pointing out another grave deficiency in the proposals made by the minister when he came to Sudbury on March 11. Mr. Kennedy in his report did advocate that the 20-odd municipalities that presently exist would be reduced to six. They would be six, by an intelligent collectivization and regrouping of them.

The minister came and added two more that are difficult to understand, save that they mollify the consciousness of the private empire of some of the more myopic of the local politicians.

My dear friend, the member for Sudbury East (Mr. Martel)—his community, Capreol, the railroad town at the top end of the basin, the north end. It is difficult to understand why it should be left separate and not grouped collectively in the townships to the south of it.

The township of Rayside, one that is a little to the north and west of the city of Sudbury. It is hard to understand why the minister and his advisers would leave it out—a six-mile township. There is no justification for a six-mile township anywhere in Ontario, let alone in the Sudbury basin. It is just too small for the world of cybernetics and technology, the world of communication. There is no rational basis for it. He ought to have moved

the township of Rayside into the township of Balfour to the west of it, and yet, for some strange reason, he left it separate.

Then when the gracious man advocated that Copper Cliff join Sudbury, he started almost a civil war. The residue of his advocacy has been with us yet. Why do I mention it? I mention that because I come to the very quintessence of my remarks when I say that if my proposal, it is my proposal—no, that is too immodest—the proposal made by many of us in Sudbury, the proposal advocated by the Chamber of Commerce, by the planners, by myself, by Inco, by many others—if that proposal were adopted it would be irrelevant. That is to say, to have the courage to implement a one-tier system for the whole of the basin. One tier.

The city of Sudbury and its councillors, some of whom, let me say here and now, could never be mistaken for Einstein; with some of them, you would have no difficulty. The city of Sudbury is always very jealous of the numbers it would get on the regional council. They count heads. They use the sharp pencil. They adopt arithmetic calculations and they want a certain number or a certain predominance on the regional council.

As far as I am concerned—and I say it in public—I do not care if the city of Sudbury runs the whole basin. I do not care, having the knowledge that no matter how many members on the regional council you give the city of Sudbury, they are still going to have to be conscious of the needs of people in Capreol, in Levack, in Wahnapiatae and everywhere else.

That is the way democracy operates. We do not operate under a form of tyranny, a form of arbitrary conduct. We operate as Canadians in the Canadian way by adopting outlets that are measured by common sense, understanding and sympathy. That is the syndrome of our history. So I am not much worried about numbers. Of the 150,000 in the basin, the city of Sudbury has 80,000-plus inhabitants. What is that? That approaches something like 60 per cent of the inhabitants. All right, as far as I am concerned they want to run the thing, let them run it.

But to go back to where I began, there is so much commonality among us, we have so many things in common throughout the basin, that it seems to me the only sensible system is a one-tier system. Mr. Kennedy said that in his report. He advocated the two-tier system. Mr. Kennedy did not understand a lot of things. There were some branches of the law of which he apparently was unaware

—for example the regional grants that are available—but he did say in advocating the two-tier system that in 10 years time, if implemented, people will wonder why the one-tier system was not instituted from the very beginning. So be it. So be it.

I believe that the inhabitants of the Sudbury basin are ready for the one-tier system now, notwithstanding the oratory of the local politicians. I have said to the local politicians—face to face, jaw to jaw, and nose to nose, eyeball to eyeball if you like—I have said to them that when we are conjuring up a rational and intelligent system of government for the people we seek to serve, the very last people in priority, the ones at the bottom of the totem pole, whom we consider are the local politicians, their private desires come last, if at all; if they are considered at all.

Which is to say that we should make short shrift of local empire building, the desire to preserve a continuity in public life. Because they like to get out of the house a couple of nights a month to go to a council meeting should be a matter of no concern to us at all. That is to say—their private wishes.

That is illustrated by the preservation of the township of Rayside which has a council of five and a reeve—a six-mile township. They like to be members of the council of Rayside; they always arrive in a uniform. I never saw councillors who wore a uniform before, but they are resplendent in beautiful blazers with unmatched trousers—is that the way to put it?—trousers of a different shade or hue. They look great. You can pick the Rayside councillors out of the meeting.

Mr. D. C. MacDonald (York South): It sounds like the hon. member for Grey-Bruce.

Mr. Sopha: But really, that is a matter of no concern to them. What is of concern—and I want to point a couple of other things out—is that we make an early assault upon the many difficulties that plague the inhabitants of the Sudbury basin.

I mention two, the question of arterial roads. Do you know, Mr. Chairman, that every morning of every week, save perhaps Sunday, but six days a week there are 6,000 workers who go from the east side of the basin to the west side of the basin to the industrial complex of Inco—6,000 of them move every morning, and the roads are totally inadequate to convey them.

The public transportation system is nonexistent. They have to go by private car. As a result many, many of them have to get up

at 4 a.m. to start out to make sure that they will be there by 8 a.m.

Mr. R. F. Ruston (Essex-Kent): Oh, no.

Mr. Sopha: If you try to proceed to the west on Highway 17 at 7 a.m. it is an utter impossibility, because the road is so clogged with the cars of those 6,000 people trying to get to that massive industrial complex. It is a problem that can only be attacked on a regional basis because it cuts across several municipalities, and only regional government can solve it.

Let me mention another one—housing. The city of Sudbury is built on rock, the hardest rock in the world, pre-Cambrian, formed 450 million years ago. It has no soil-bearing land. It has all been used up, whatever it did have in the arroyos, and the gullies, the gulches. To build houses is to build houses on rock with the attendant, tremendously expensive problem of providing services.

Sudbury needs land, soil-bearing land, for its expansion. As an example, out to the northeast part of the city where there is a little soil, every time they try to implement a scheme of public housing by OHC, every time there is a pitched battle that takes place before the planning board and before the council, because the inhabitants of the area look upon public housing as being an ogre that must be defeated. They fear it. They fear its assault upon the diminution of the value of their property.

Sudbury needs land, soil-bearing land. Only regional government can provide it. It can have that land in the township of Blezard, now called Valley East, perhaps in the township of Rayside, perhaps in the townships of Broder and Dill, where Sudbury's natural expansion must take place.

Mr. Chairman, forgive me for taking the time of the House and my colleagues on these matters, but they are desperately important to the citizens of Sudbury. These problems must begin to be solved. I had thought of holding a public meeting.

I honest to heavens had the intention of holding a public meeting in Sudbury—newspaper advertisements, radio advertisements—to ask people to come and discuss, rationally and intelligently—

Interjection by an hon. member.

Mr. Sopha:—the problem of regional government, because progress is so slow. It is so terribly slow, and it has become to be

mixed up with things that are irrelevant to the solution of the major difficulties.

Mr. Sargent: The hon. member could have held it tonight. The Prime Minister is up there tonight.

Mr. Sopha: Yes, he is up there. That is true, and the Attorney General (Mr. A. F. Lawrence) and the Minister of Mines and Northern Affairs (Mr. Bernier) with him. They are having a real taffy pull, but I will tell you something. Let me tell the hon. member something confidentially.

Mr. MacDonald: He is out in Sudbury East wasting his time.

Mr. Sopha: They have not got a candidate—not yet. They had one but he quit.

Mr. Peacock: They will ask the mayor. They will ask the major in every town. They asked the mayor in Windsor.

Mr. Sopha: Yes; well, the mayor in Sudbury is ostensibly a Liberal. I intended to hold a public meeting to ask the interested people to come forward and join in the discussion of these things so that we could, perhaps, get some stimulus, some motivation, get the thing moving.

Notwithstanding, I say to the House that I am going to be running for re-election. The people of Sudbury will have to judge me this fall, but I have no hesitation in saying here that my views differ very sharply from many of the council of the city of Sudbury. My views are more in accord with the council of the town of Copper Cliff. The council of the town of Coniston. Some wag—let me report this—some wag who will go unidentified but has a very pronounced acuity for things such as this, said to me recently: "We would be a great deal better off if we moved the council of the town of Coniston in to run the city of Sudbury and moved the council of Sudbury out to run the town of Coniston." The difference between 2,500 people and 80,000.

I must confess there is more than a germ of truth in that, because the council of Coniston, led by that remarkable person, Mayor Mike Solski, has demonstrated—

Mr. W. Ferrier (Cochrane South): He bit the dust to the member for Sudbury East last time.

Mr. Sopha:—a very sharp perception of the nature of the problems that plague the Sudbury basin. I do not know, I am an

eternal optimist, but I do not know where we are going; where we are going to end up; whether there is any hope of regional government; whether the people whom we seek to serve can begin to see these problems solved; to have the benefit of a dependable source of water. I could go on, I guess, for a long time about the problems.

Let me deal with water. Various studies have shown that Lake Ramsey, that beautiful lake in the heart of our city, is totally inadequate to supply our water needs for the indefinite future. It just has not got the resources. It is in danger of being polluted.

Most people who look at it say that ultimately the water for the Sudbury basin must come from that massive body of water to the north, Lake Wahnapeitei. It has to be the permanent sure source of water supply. It is a regional problem. If you brought water from Lake Wahnapeitei you would distribute it to every municipality along the way—of which there are several—and the municipalities to the west.

There are so many of the problems. If you are energetic, if you are thoughtful, if you worry about them as you put your head on the pillow at night, it gives you a sense of frustration that we have not got the initiative for getting on with the job of their solution. That is what we are elected for. We are elected to give people help, sustenance and relief. That is why we present ourselves in public life.

But the minister plays along with that group in Sudbury which wants to delay it. They want to put it off and yet they are not even able to see that Inco and Falconbridge, in the meantime, are not paying their fair share. That tax bill is not being received in Copper Cliff.

I hope that my words have added some measure of stimulus to the minister. I would not be afraid, I would not hesitate for a moment, of going to Sudbury with them and saying, "Look brethren, this is the way it is going to be. It is going to be this way. Something has to be done. We have to get on with the job." Ultimately, this place, with the supreme power of Ontario, determines the character of the local government in the province.

Mr. MacDonald: I thought the member's party was opposing that approach?

Mr. Sopha: The member was not in here for the early part of my remarks. I put that right in a logical context.

Mr. Sargent: We never hear very much at all.

Mr. MacDonald: I was in committee.

Mr. Ferrier: Ever hear about the pot calling the kettle black?

Mr. Sargent: The member could drop in, though!

Mr. Sopha: We are talking about Sudbury only. No other place in the province. Let us make that clear. But I refuse to generalize. I would not hesitate to go to Sudbury with the minister and say, "We have to come to the conclusion that the only rational, sensible solution of Sudbury's difficulties is the implementation of a one-tier system of regional government."

On January 1, 1972, that remarkably fine man, Mayor Richard Dow of Copper Cliff, Mrs. Betty Grooms, Councillor Don Taylor and Dr. G. C. Jones and all those fine people in Copper Cliff—I must say, none of whom support my friend from Sudbury East—all those fine people could maintain their individuality; they could still call themselves Copper Cliff. They could reside in resplendent serenity beyond the sloe dumps out there, amid all the fine greenery that marks that town, and in the one-tier system it would not matter. They would not have to fear being joined to the ogre of the city of Sudbury.

Then, perhaps, if one dares to dream, maybe Sudbury could have a city hall. Maybe it could have a city hall like other places, and the councillors would not have to be like a bunch of Arabs, as they are, looking for a place to hold their council meetings.

You know, they carpetbag around with their briefs and briefcases looking for a place to hold the council meetings. Is there anywhere else in Ontario where that happens? Does anybody know any place other than Sudbury where that obtains? Well, that is a fact of life. They go to the public library; they go to the union hall; and sometimes I think that the real council meetings are held in the pub afterwards. I really believe it.

Mr. Sargent: Take that out of Hansard.

Mr. Sopha: No, they would not mind that. I have sat with them of an evening and had a stein of the local brew—being Dom's, very fine beer—at the Caruso Club, where you can hold the meeting, then nip downstairs to the very fine lounge. And all the councillors do

it; they sit around a long table. I think the important decisions are made there.

Maybe we could have a city hall. Maybe we could have a lot of other things that other municipalities have and which we have not got, because, as I have always said, if we were a reflection of the wealth that we produce we would be the finest looking city in Canada, instead of one of the most ugly.

Mr. Sargent: Got to build Ontario Place first.

Mr. Sopha: And we would not have to withstand all those gregarious words, those insults, that we have to take now from people who come and look at our community and tell us how terrible it looks.

Mr. Sargent: The member for Don Mills' projects—we have to build them first.

Hon. E. A. Winkler (Minister of Revenue): Mr. Chairman, I wonder if I could—

Mr. Sopha: All right, that is my final word. Thank you very much, I have had my say.

Mr. Sargent: Where is the member for Don Mills going? He must not go home mad, we will let him speak.

Mr. Ferrier: Not going for a stein is he?

Hon. Mr. Winkler moves that the committee rise and report.

Motion agreed to.

The House resumed; Mr. Speaker in the chair.

Mr. Chairman: Mr. Speaker, the committee of supply begs to report that it has come to certain resolutions and asks for leave to sit again.

Report agreed to.

Hon. E. A. Winkler (Minister of Revenue): Mr. Speaker, I wonder if I could ask the unanimous consent of the House to proceed with two bills in the name of the Provincial Secretary (Mr. Yaremko)?

Mr. Speaker: Unfortunately, unless the leader is prepared to move the continuation of the House sitting, it is now 10:30 and the rules require that we adjourn at 10:30.

Hon. Mr. Winkler: I asked, Mr. Speaker, so that the bills will be available to the

House and I know that it requires unanimous consent and I would ask for that.

Mr. Speaker: No, the unanimous consent does not affect it. The rules state that this House will adjourn at 10:30 p.m., unless there is a government motion to the contrary.

Now if the hon. House leader wishes the House to sit past it and then ask for unanimous consent, he will place his motion for the House to sit past the usual hour of adjournment.

Mr. E. W. Sopha (Sudbury): Which two bills?

Mr. M. Shulman (High Park): What are the bills?

Hon. Mr. Winkler: Could I then, Mr. Speaker, ask for a continuance of the sitting until that period of time?

Mr. Speaker: The hon. minister may move the House continue to sit.

Hon. Mr. Winkler: I would so move.

Mr. Shulman: Can the minister let us know what the bills are?

Mr. I. Deans (Wentworth): Mr. Speaker, before placing the motion, as I understand it the minister took the time this afternoon to appear on television when he should have been in the House proposing the bills. I think it is a bit much to ask now that the House sit beyond the normal adjournment hour in order to facilitate the minister who did not see fit to do his business here in the first place.

Mr. Sopha: We share that view. You will recall earlier this afternoon that you reported to the House yourself, Your Honour, that information had been passed along to you that the minister intended to introduce two bills. It was a mark of contempt on his part that he left the House and proffered to the confines of a press conference, rather than attending upon his duties here. We cannot support the motion.

Hon. Mr. Winkler moves the adjournment of the House.

Motion agreed to.

The House adjourned at 10:30 o'clock, p.m.

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ONTARIO

Legislature of Ontario Debates

OFFICIAL REPORT — DAILY EDITION

Fourth Session of the Twenty-Eighth Legislature

Tuesday, June 22, 1971

Afternoon Session

Speaker: Honourable Fred McIntosh Cass, Q.C.

Clerk: Roderick Lewis, Q.C.

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HOUSE OF REPRESENTATIVES

OFFICE OF THE CLERK OF THE HOUSE OF REPRESENTATIVES

Tuesday, June 22, 1971

Washington, D.C.

U.S. GOVERNMENT PRINTING OFFICE: 1971

THE HOUSE OF REPRESENTATIVES

LEGISLATIVE ASSEMBLY OF ONTARIO

TUESDAY, JUNE 22, 1971

The House met at 2 o'clock, p.m.

Prayers.

Mr. Speaker: This afternoon, we have as guests in the east gallery students from St. Jerome's Separate School in Downsview and St. Peter's Separate School in Sarnia. In the west gallery an hour later, we will have students from St. Lucy's Separate School in Toronto and St. Carthag's School in Tweed. Later this afternoon there will be students from St. Albert School in Scarborough.

This evening, the Wexford Chapter IODE will be here hosting students from the Wikwemikong School 007 of Wikwemikong, which is an Indian school.

I am sure we welcome all these guests.

Statements by the ministry.

Hon. A. B. R. Lawrence (Minister of Health): Mr. Speaker, yesterday, the member for Scarborough West (Mr. Lewis) asked me if I would make a statement with regard to the Interprovincial Conference on Health that was held last week. If I may, I will do so now briefly and rather informally.

It was a three-day meeting, two days of which were occupied by the deputy ministers from the 10 provinces and their staffs discussing all matters involving health and health legislation. That was followed by a third day when the ministers were to attend. The lengthening of the constitutional conference meant that only four ministers were actually able to attend, and this is one reason why no formal communique was developed and issued either to the press or made available to the House.

The deputies discussed a general review of all our provincial legislation: The regulation and education of the health disciplines, health insurance legislation, human tissue legislation, Quebec programmes in relation to drugs and dentistry, nursing homes and home care, shared costs programmes and health costs generally.

When we met as ministers we discussed a number of items. Picking these as the high points: The first was the question of portability of rights and benefits under Medicare

and hospital insurance, the effort being to have total portability from one province to another for all insured and premium paying people from each province, the effort being to have this portability plus a formula for reconciliation, perhaps, between different provinces from time to time.

Here we bumped into some difficulty. We could all accept the principles involved, but British Columbia and PEI, with their peculiar and special impact of transient and older people, were quite wary. In British Columbia the impact of unidentified young travellers is apparently quite a problem. And insofar as PEI is concerned, their summer flow greatly distorts their health care burden.

Both of them are to develop alternative proposals still looking toward portability, and they will be reporting to the September meeting of health ministers.

Canada has undertaken to support us in developing statistics to see to what extent this is a problem and whether or not the administrative costs in tracing down each dollar would really outweigh the loss or gain that any province might be subject to.

Drug testing was a question that was raised. A number of the provinces are quite ready and interested in adopting our Parcost programme holus-bolus and as is. We then moved on to a discussion of drug testing, it being quite obvious that with our programme going forward it would be rather ridiculous to have 10 provinces all testing the same drugs. Our officials are trying to develop a total and co-ordinated programme in relation to drug testing.

With regard to shared cost and the shared cost programmes federally-provincially involving health care, a very interesting debate has developed among the ministers and the deputies, particularly among the ministers, involving the political aspects of the shared cost function.

I was interested that several of the provinces felt that the participation of the federal government was extremely important politically so that the public was faced at both levels of political administration with people who were supportive one to the other; namely,

an effort to see that we had a solid front as political representatives of the people, both in Parliament and in the Legislatures when it came to facing the tremendous pressures for extended services and other demands.

Beyond that there was a marked consensus involving the federal proposals concerning a change in the support formula. As the hon. members may know, the federal government has been tentatively discussing a system whereby payments in relation to Medicare and hospital care would be based on a per capita basis, and the whole thing hitched to calculations involving gross national product.

There we bumped into a point of principle that was very important. The provinces generally felt that the federal government should first establish the principles and definitions involved in what might be called a health care delivery system, and then at that point come to us to discuss a formula rather than vice versa.

All provinces present were concerned—and some very concerned—with the warping impact of the present system whereby particular programmes receiving dollars from the federal government by way of support tend to pull other programmes out of priority. We have asked that the federal government deal with the question of policy first, and then we will discuss the question of the formula.

We developed hopes for being able to use among each other as provinces a protocol involving the exchange of information insofar as our computers are concerned so that we can reconcile data that comes from the computers, whether it be British Columbia, Quebec, Ontario or wherever. And so that our definitions of service in relation to Medicare by doctors, for instance, will mean the same thing in different provinces.

We then tackled the question of the regulations and education of the health disciplines. Here, of course, the obvious burden of our discussion was to see how close we could get, as provinces, to having common definitions of particular healing arts or health disciplines. Here the exercise is going forward with each of the 10 provinces preparing definitions and drafting, as I say, regulations that would relate to each of the health disciplines.

Finally we dealt with the question of health care costs and compared the Newfoundland exercise in proration of doctors' salaries; the Quebec procedures which very strictly relate to the number of acts or procedures that can be carried out during particular

periods by doctors; the British Columbia exercise in rather extreme publicity; and the Alberta exercise in the more restrained publicity.

All of these things were very vigorously discussed and all of these and other matters involving the total spectrum of legislation are then going forward in September for what we all hope will be a meeting having a full attendance.

Thank you, Mr. Speaker.

Mr. Speaker: Oral questions.

DRUG TESTING PROGRAMME

Mr. R. F. Nixon (Leader of the Opposition): Mr. Speaker, further to the statement of the hon. Minister of Health, which was quite useful; is he contemplating doing the drug testing for the other provinces that wish to avail themselves of the Parcost mechanism? Or is one of the alternatives that perhaps the federal food and drug directorate might take this on as an additional responsibility in response to the requirement of a number of provinces? In connection with that, was there a federal presence at this conference so that alternative might have been discussed directly with him?

Hon. A. B. R. Lawrence: Yes, there was a federal delegation at the conference. That particular point was not discussed.

Mr. Nixon: Was not?

Hon. A. B. R. Lawrence: It was not discussed, I think, primarily because despite the federal government's intention in this field, they do not have the capacity and probably will not for perhaps three or four years for undertaking the kind of testing programme that we have evolved in Parcost. The question was left in the air. I would not want to comment on whether or not the testing we do should be made available to other provinces on the basis of professional services rendered, as it were, or on some basis where we would try to ask for financial participation. Personally I think it would be rather distasteful; I would sooner see us open-handedly co-operating with all the other provinces that wish to use our testing.

Mr. Nixon: A supplementary: If in fact some kind of a programme of evaluating commercially available drugs is going to be used by more and more of the provinces, would the minister not agree that it might

be Ontario's role to indicate to the government of Canada that they should take this on, rather than to say that we in Ontario are prepared to do it for the other provinces?

Hon. A. B. R. Lawrence: Well, we are dealing right now with the practical question of what happens this year or next year.

Mr. Nixon: Right.

Hon. A. B. R. Lawrence: I have no quarrel in principle regarding the obvious efficiency of having one body do this testing. But we only have words, as it were, at this moment in relation to the capacity, or the ultimate intentions of the federal government.

Mr. Nixon: A further supplementary relating to the minister's statement: He indicated that there was some discussion of the Newfoundland system of controlling Medicare costs. Has he anything to report to the House following his discussions with the Ontario Medical Association with regard to the possible implementation of a programme somewhat similar at least in its goal to that of Newfoundland of controlling or putting an upper limit on medical insurance costs or payments to doctors?

Hon. A. B. R. Lawrence: No, Mr. Speaker, I have never raised this as a point with either the Ontario Medical Association, the college or doctors generally in Ontario, and I may say in—

Mr. Nixon: The minister undertook to raise it with them in response to a question in the House.

Hon. A. B. R. Lawrence: The Newfoundland system?

Mr. Nixon: That is correct.

Hon. A. B. R. Lawrence: If I did, I have not. I may say I was advised last week by the Newfoundland government that they consider it a very poor approach and are abandoning it themselves. I am sorry if I have not discussed that with them; I can, but with the Newfoundland experience it is obviously not one that seems to have great value.

Mr. Speaker: The hon. member for Cochrane South has a supplementary?

Mr. W. Ferrier (Cochrane South): I have a supplementary on the drug quality section of the question. Is it not a fact that the federal government, as was announced by

Mr. Munro very recently, is setting up a programme to carry out the kind of drug investigation and quality control of drugs that is now being carried out under Parcost?

Hon. A. B. R. Lawrence: I think the intention is to have it as broad and effective as that. But the best advice I can get is that it will be at least three years before they will be able to have anything comparable in the way of view of expertise or capacity and from the practical point of view.

Mr. S. Lewis (Scarborough West): A further supplementary, Mr. Speaker. I may have missed it in the minister's opening statement: Was there any discussion of mental hospitals and the funding of those hospitals or federal contributions in the future?

Hon. A. B. R. Lawrence: Yes, there was, Mr. Speaker, because obviously the impact of federal policies, so far as mental and physical health are concerned, raises the question of one of the greatest and most obvious anachronisms in the federal system, namely, that they do not support mental health in the same way they support physical health, at a time in 1971 when there is no Minister of Health who would not agree that we must very soon accept our responsibilities broadly, and look at them as one and the same functional problem.

Mr. Lewis: Was there any suggestion on the part of the federal authorities that they would enter this field? Was there a request for percentage cost sharing from the provinces jointly?

Hon. A. B. R. Lawrence: No, there was not, Mr. Speaker. The debate became one between the federal government representatives, who were saying that they wanted a programme such as they have at the moment, but more flexible, and the provinces, who were saying we want as a matter of policy for the federal government to agree with us as to what is the total health care delivery system—encompassing, obviously, mental health, nursing homes, home care, hospitals, medicare. "Let us settle on that policy first and then we will talk formula."

Mr. Lewis: They were not prepared to concede that, I take it?

Hon. A. B. R. Lawrence: It was a friendly meeting, but they said that the word "flexible" covered this and the provinces present did not understand the word flexible to mean that.

Mr. Speaker: The hon. Leader of the Opposition.

GUARANTEED ANNUAL INCOME

Mr. Nixon: Mr. Speaker, a question of the Treasurer.

Can he indicate to the House whether his statement calling for the integration of income tax with social services does constitute the acceptance on the part of the government of the province of a programme that might be described as a guaranteed minimum income programme, or at least a basis of such?

Hon. W. D. McKeough (Treasurer): I do not think it implies an acceptance or otherwise. The Prime Minister (Mr. Davis) made this point in Victoria last week in a paper which was distributed, I believe, or which can be distributed. It was a public paper released to the press, stating that if at some point there is to be a guaranteed annual income that perhaps the easiest way to facilitate this would be through the tax reporting system.

I think all of us share the view in this House that our social security programmes presently overlap, and often do not look after those whom we would like to see looked after, or do not look after them as equitably as they should.

I think all of us recognize certainly the government of Canada has indicated the enormous cost of a guaranteed annual income for the country, and it is not in their view practical at this time. We see the integration of the two systems—the social security system and the income tax system—as one way of achieving this and we would hate to lose that mechanism at this moment.

Mr. Nixon: A supplementary: The concept put forward by the Treasurer and by the Premier in his statement does, however, go considerably further than the simple tax credit programme recommended by the White committee two years ago.

Hon. Mr. McKeough: No, I do not think so. I think we are right on line with the report of the select committee which advocated a tax credit approach, but a tax credit to both taxpayers and people who would not normally pay taxes. You are really in the same ball park when you are talking that kind of a full tax credit approach, or a guaranteed annual income, or a negative income tax, or call it whatever you will.

PICKERING NUCLEAR STATION

Mr. Nixon: I have a question of the Minister of Energy and Resources Management.

Can he report to the House on the progress at Pickering in bringing the first reactor, not into just the production of steam, but into the production of electrical energy?

What are the predictions as to the timetable of bringing the full reactor system there on line?

Third, is there any further research being conducted, in view of new information from the United States as to the safety factors associated with large atomic reactors located near large centres of population?

Hon. G. A. Kerr (Minister of Energy and Resources Management): Mr. Speaker, the first unit operated at full capacity for about four weeks and then was partially shut down for research and engineering survey, you might say. The commission is quite happy with the performance of the first unit during that four-week period.

I am hoping that it will be critical, as I indicated earlier to the hon. Leader of the Opposition, sometime this summer. The target date was the end of July, and there is no reason why that date should not be reached.

Regarding further research, I assume the hon. member is referring to an article by David Spurgeon that appeared yesterday in the Globe and Mail. Really, I do not think that article indicates any further knowledge or information that would be of any use to us. This is in respect to a hearing that has been arranged as a result of an action taken by a group in the United States, mainly because it is not getting enough information about the American programme. And, as the hon. member knows, it involves enriched uranium which we do not use in Ontario.

Mr. Nixon: A supplementary question: Can the minister tell me if refuelling of the reactor at Pickering under load has been attempted or accomplished?

Hon. Mr. Kerr: I am not sure of that—

Mr. Nixon: Have they replaced the uranium rods?

Hon. Mr. Kerr: I would not want to say either one way or another, Mr. Speaker. I will have to get that information.

Mr. Speaker: The member for Scarborough West has a question.

STRIKE AT AP PARTS

Mr. Lewis: A question initially, Mr. Speaker, of the Minister of Labour. What is the status of negotiations of AP Parts (Canada) Limited, in the west end of Toronto?

Hon. G. Carton (Minister of Labour): Mr. Speaker, first of all may I answer a question the hon. member directed to me last week? They are not availing themselves of the services of Canadian Driver Pool Limited, I am informed on that aspect of it. Secondly, we did have meetings on Friday, as I said we would, and all parties concerned are presently meeting at 8 York Street today as well.

Mr. Lewis: I am sure the minister is aware, I ask with an interrogative tone, that the conditions on the picket lines each morning frequently deteriorate, that arrests accelerate and that something must be done to prevent this situation from getting out of control? Is his department currently involved by way of a senior negotiator?

Hon. Mr. Carton: Yes, Mr. Speaker, negotiations are taking place today, as I said.

Mr. J. Renwick (Riverdale): By way of a supplementary question, is the minister aware that there appears to be going on by the police at AP Parts a process of selective arrests of those persons other than employees who wish to express sympathy with the strikers at that plant?

Hon. Mr. Carton: No, I am not aware of that, Mr. Speaker.

Mr. Lewis: By way of supplementary, is the minister aware of the undue police concentration in that strike area, the effect it is having and has he discussed it with his colleague, the Attorney General?

Hon. Mr. Carton: I have not discussed it with the Attorney General, Mr. Speaker. I will on his return.

Mr. Lewis: Thank you. Another question—

LAYOFF OF WORKERS
AT STANDARD COIL

Hon. Mr. Carton: Mr. Speaker, I wonder if I may reply to a couple of questions the member for Lakeshore (Mr. Lawlor) asked me last week concerning Standard Coil. We received a letter from this firm to the effect that there would be some layoffs toward the end of August; they have notified the em-

ployees verbally, and written notices will be going out within the next few days. I see the member for Sarnia is not in his seat—

Mr. P. D. Lawlor (Lakeshore): A supplementary question?

Mr. Speaker: Yes.

Mr. Lawlor: Mr. Speaker, first of all, when was that letter received and what is the indicated extent of those layoffs?

Hon. Mr. Carton: The letter was received on June 14 and the extent of the layoffs is about 120. I would point out, Mr. Speaker—and I am not aware of the firm's exact position since the new budget—that perhaps this might alleviate some of the situation because I believe they do some television work.

BILLBOARD ADVERTISEMENTS
TERMED OFFENSIVE

Mr. Lewis: Another question, Mr. Speaker, of the Minister of Labour.

Has he talked to the Ontario Human Rights Commission about the advertisement presently being run on billboards around Metropolitan Toronto by CFRB, I think with the caption—I was so offended by it personally that the caption did not entirely register, but I think it is, "Is this what modern women really want?" or words to that affect? Has he spoken to the commission about looking into the nature of that advertisement and whether in fact it might violate any aspects of the code?

Mr. P. J. Yakabuski (Renfrew South): What is the advertisement?

Hon. Mr. Carton: No, I have not, Mr. Speaker, but I will check that out for the member.

Mr. Lewis: By way of supplementary, has the minister seen this extraordinarily offensive effort which pictures a woman, unduly muscled and unattractive, over a Bill McVean exhortation to listen to CFRB? The woman, at least in the billboard I saw on Kingston Road, is not Caucasian either, for reasons which concerned me.

I am wondering about the appropriateness of the whole advertisement and whether or not the minister might look into it if it is within his purview? I do not know whether it is within anyone's purview so I am seeking this advice.

Hon. Mr. Carton: I have not noticed the advertisement myself, Mr. Speaker, but I will be happy to look into it.

Mr. W. G. Pitman (Peterborough): It is also on the subway.

Mr. Lewis: I must say, Mr. Speaker, I ask the minister to look into this because it gives substance to all the arguments—

Mr. Speaker: Perhaps the hon. member for Scarborough West would confine himself to questions.

REQUEST FOR INQUIRY INTO WHOLESALE TIMBER PRICES

Mr. Lewis: It is worth looking at by the minister, May I ask the Minister of Financial and Commercial Affairs a question? I am asking the Minister of Financial and Commercial Affairs a question: May I know whether the government of the Province of Ontario will support the—is it the lumber association's?—request for an inquiry in the timber industry?

Hon. A. A. Wishart (Minister of Financial and Commercial Affairs): Mr. Speaker, I saw the news item in the morning paper. That was the first inkling I had of it. I would of course have to discuss it with my colleagues and then government policy would be made known. I cannot answer it "yes" or "no" at the moment. I will certainly bring about some discussion.

Mr. Speaker: A supplementary?

Mr. A. Jackson (Timiskaming): Mr. Speaker, a supplementary question, if he does make an investigation will he include in that investigation why prices are so much higher in northern Ontario for lumber that is produced in northern Ontario and shipped to Toronto and shipped back to northern Ontario? Why do we pay so much more in northern Ontario for the same lumber?

Hon. Mr. Wishart: I think the hon. member's question was "if we undertake the inquiry, would that be part of the inquiry?" I would think it would.

Mr. Lewis: Perhaps you would have an inquiry into transportation rates in northern Ontario.

Hon. Mr. Wishart: That is going on.

LAYOFF OF WORKERS AT FORD PLANT AT WINDSOR

Mr. Lewis: A final question, Mr. Speaker, for the Minister of Labour. What has the minister induced about the layoff at the Ford plant in Windsor and the extension of facilities in the United States as a consequence of that layoff?

Hon. Mr. Carton: Well, Mr. Speaker, this is a matter that is been going on for some time. Finally—about two weeks after other members apparently received it—I received a wire from the union in this respect.

Mr. D. C. MacDonald (York South): Maybe they had not heard of the minister's appointment.

Hon. Mr. Carton: Perhaps not. But in any event, I did contact the company concerned, and this did relate to some 192 workers, not the 400 or 500 that were mentioned, and I was advised that this would not be a permanent layoff.

Mr. Speaker: Has the member for Simcoe East a question?

PROTECTION OF POLAR BEARS

Mr. G. E. Smith (Simcoe East): Mr. Speaker, I have a question of the Minister of Lands and Forests.

Is the minister concerned over the fact that four polar bear pelts were sold at a recent North Bay fur sale, and is his department contemplating any protective measures to protect the species in Ontario?

Hon. R. Brunelle (Minister of Lands and Forests): Mr. Speaker, it is illegal to kill a polar bear in Ontario. The only time that we permit the killing of polar bears is by native people in the protection of their own camp. We then direct that the pelt be sold through the North Bay auction sale in order to make sure that it is controlled and that the native people do get a fair return for their pelts. But I will be pleased to look into this question of the hon. member.

Mr. G. E. Smith: Mr. Speaker, I have a supplementary. I wonder if the minister could indicate, through any statistics that his department has, whether the polar bear population in Ontario is actually becoming extinct or diminishing?

Hon. Mr. Brunelle: I am happy to report, Mr. Speaker, that our polar bear population in

Ontario is fairly constant. It is somewhere between 100 to 125 polar bears.

Mr. Speaker: The hon. Minister of Financial and Commercial Affairs has the answer to a question asked the other day.

DENIAL OF INFORMATION TO SHAREHOLDERS

Hon. Mr. Wishart: The member for York South asked a question yesterday as to the obligation of the directors of Standard Paving to notify the shareholders as to the salary paid to the company auditors.

I have looked into the matter, Mr. Speaker, and find that under Ontario law the management of the affairs of a business of a corporation is vested in its directors and the directors are under a number of statutory obligations as to reporting to shareholders.

The Business Corporations Act, 1970, sets out the financial information required to be given to shareholders. In the information circular sent to shareholders of public corporations, information must be given as to the remuneration paid to directors and senior officers but neither the financial statement or the information circular call for a statement of fees paid to auditors.

In the profit and loss statement of some corporations you may find an item for legal and auditing expenses under the head of administrative costs where these expenses are significant. According to the 1971 statement of Standard Paving the corporation's gross revenue is shown as approximately \$40 million; cost of sales about \$36 million; administrative expenses, including legal and audit expense, are covered in the cost of sales figure in that report, and are not separately shown.

Under the statute the shareholders of a corporation have the right to appoint the auditors. They also have the right to fix the fee to be paid the auditors—that is the shareholders have that right. However, the shareholders can authorize the directorate to set the auditors' fee and I understand that this is usually done, as the directors are in a better position to determine how much the auditors should be paid in any given year. The statute does not require the directorate to report to the shareholders as to the fees paid to the auditors.

Mr. Speaker, just let me say this. I appreciate the hon. member raising this question because quite frankly I was not aware that this would be an item that the directors would

not be required to report. I do point out that the shareholders have the right to appoint the directors and they could have, perhaps, had they been aware, put certain obligations upon them, but the Act does not. Perhaps we should, and I am looking at the Act to see if this should not be added to the duties and obligations of the directors in making a report to the shareholders.

Mr. Speaker: A supplementary—no? Then the member for Ottawa Centre.

OTTAWA CHILDREN'S HOSPITAL AND TREATMENT CENTRE

Mr. H. McKenzie (Ottawa Centre): Mr. Speaker, I have a question of the Minister of Health.

Is it correct that the plans for the new children's hospital in Ottawa are held up to the extent that the building construction will not get under way until next year?

Secondly, does the minister have any intention of getting a crippled children's treatment centre under way this year?

Thirdly, if not, will the minister endeavour to provide proper temporary facilities for the 100 crippled children in Ottawa not now receiving treatment?

Hon. A. B. R. Lawrence: I cannot answer those questions categorically, Mr. Speaker. But I have heard no word from either of these institutions suggesting that they have been held up beyond the plans and arrangements that were presented to them and that they have been working on for the last several months.

Mr. Speaker: The member for Cochrane South.

DENTAL CARE STANDARDS

Mr. Ferrier: Yes, Mr. Speaker, I have a question of the Minister of Health.

What action does the minister intend to take to preserve an adequate standard of dental care in the province, in the light of the recent report by the Ontario Society of Periodontists charging dentists with neglect in treating the periodontal disease known as pyorrhoea, which leads to the loss of teeth?

Hon. A. B. R. Lawrence: I think I suggested, Mr. Speaker, in the estimates, and perhaps in this House, the whole question of dental care of children is currently being

assessed and it obviously will be a matter involving new government policy and presumably legislation.

We are not ready to either announce or proceed at this point.

Mr. Ferrier: A supplementary: Is the minister not aware that the statement saying that dentists would be subject to negligence lawsuits for their inadequate treatment of this disease should warrant some concern? And that the body under The Dentistry Act should be enforcing some discipline to ensure an adequate standard of dental care is being provided to the citizens of this province?

Hon. A. B. R. Lawrence: On the last point, Mr. Speaker, I will see that the college and the association both look into the allegations made by the hon. member.

Mr. Speaker: Has the member for Renfrew South a question?

Mr. Yakubski: No! It is all right, Mr. Speaker.

Mr. Speaker: The Minister of Labour has a reply to a question asked earlier by the member for Sarnia. He may give his answer.

PROVISION OF TEMPORARY HELP

Hon. Mr. Carton: Mr. Speaker, the member for Sarnia was asking some time ago about an editorial in the *Globe and Mail* attributed to William J. Coke, president of the Canadian Institute of Temporary Help and Business Services. I was in correspondence with Mr. Coke and I have this reply to the hon. member.

Mr. I. Deans (Wentworth): The member for Renfrew South should make it legitimate by getting on his feet once in a while.

Hon. Mr. Carton: This involves, Mr. Speaker, the temporary help and services. This is the quotation:

I would also like to say that this industry and the companies involved in it are committed to areas of service which will not impair a labour-management relationship. In its simplest terms, we will not provide any service that would contravene a contract existing between a company and the union, nor will we cross a picket line. The nature of our service and the potential growth of our industry which does serve a valid social and economic need is such that long term, it

could not be in our interest to involve ourselves in this type of activity.

Mr. Speaker: The member for Windsor-Walkerville.

DUMPING OF WASTE IN DETROIT RIVER

Mr. B. Newman (Windsor-Walkerville): Mr. Speaker, I have a question of the Minister of Energy and Resources Management. Would the minister report to the House the results of his meeting with the BASF Wyandotte, generally known as Wyandotte Chemicals?

Hon. Mr. Kerr: Mr. Speaker, the chairman of Wyandotte and two or three of his vice-presidents attended my office last week to discuss Fighting Island and the disposal of industrial liquid wastes at that site. We made the officials of the company aware of our concern of the possibility of some leakage from the site. They assured us that every precaution is being taken by the company to prevent such occurrence and invited us to inspect the island, which we hope to do some time next month.

Mr. B. Newman: A supplementary question, Mr. Speaker: Is the minister satisfied with that method of waste disposal so close to a large body of water?

Hon. Mr. Kerr: No, Mr. Speaker, not entirely. It is a rather precarious location. If there is any loss, any leakage, any breakage in the dikes, it could cause a great deal of contamination.

Also, from the esthetic point of view, it is an eyesore; there is no question of that. I think that this is what concerns the people in the hon. member's riding—the idea of having a site like that so close-coupled with the fact that it is in Canada and the waste is coming from across the border. All these things accumulate to create a certain amount of objection.

However, we are looking at it from the point of view of containment. If there is any possibility that there will be a loss from that island or any dangers from the dikes, we may require that other steps be taken by the company.

I must say that as far as the Detroit River area is concerned, in view of the situation there generally, it is better to have this situation rather than direct dumping into the river which is the case for many companies.

Mr. Speaker: Further supplementaries?

Mr. B. Newman: Another supplementary, Mr. Speaker: May I ask the minister if he is considering giving a period by which time Wyandotte Chemicals must phase out that method of disposing of their liquid waste?

Hon. Mr. Kerr: There has been no decision, no hard and fast decision or conclusion, in our discussions with the company. If the hon. member has an opportunity, he will see that the company revolves its use of that facility. In other words it uses part of the island for a while and then it will abandon that and use another part of the island. The portion that is abandoned turns out to be a fine looking field of rye. What they do with that rye I really do not know.

But in any event, they also apparently have a summer retreat there right next to these lagoons, so that all in all, it may be that we are overly concerned with this particular facility, but this is what we want to find out in July—

Mr. H. Peacock (Windsor West): A hunting lodge to contain a pile?

Hon. Mr. Kerr: —the possibility of any danger. Of course, we have an old agreement whereby we allow the pumping of this waste from the company's plant to the island, and we have the option under that agreement to discontinue that practice.

Mr. Speaker: Has the member for Windsor West a supplementary?

Mr. Peacock: A supplementary, Mr. Speaker: Has the minister, as a result of the meeting, exempted the Wyandotte Chemical Company from the provisions of The Ontario Water Resources Commission Act in any respect?

Hon. Mr. Kerr: The hon. member asked me that same question about two weeks ago and the meeting did not change anything.

Mr. Speaker: The member for Brantford.

ALLEGED HARASSMENT OF WORKERS

Mr. M. Makarchuk (Brantford): A question of the Minister of Labour.

Has the minister's department completed the investigation into the alleged harassing of six workers employed by the Massey-Ferguson combines plant in Brantford, and

which according to the workers, has resulted in the death of one of the workers?

Hon. Mr. Carton: No, Mr. Speaker, I have not completed that yet.

Mr. Makarchuk: A supplementary: Can the minister indicate when the investigation will be complete?

Hon. Mr. Carton: I will try to get the answer some time later this week, Mr. Speaker.

Mr. Speaker: The member for York Centre.

PROGRAMME TO PIPE EFFLUENT TO SUBURBAN GOLF COURSES

Mr. D. M. Deacon (York Centre): Mr. Speaker, a question of the Minister of Energy and Resources Management.

In an effort to reduce the phosphate and nitrate pollution of Lake Ontario caused by sewage effluent, will the minister have the OWRC launch an experimental programme this summer with a few of the golf courses in the Metro suburbs, whereby they would water their courses with treated effluent piped from these nearby plants and thus promote greener fairways and greens, instead of greener algae in our rivers and Lake Ontario? At the same time, it would reduce the heavy drain these courses impose on local water tables.

Mr. Speaker: Perhaps the hon. member is asking a question, not answering it.

Mr. Nixon: Maybe he has the answer.

Mr. Speaker: The answer should not be included in the question.

Hon. Mr. Kerr: There is no question that it makes things greener, Mr. Speaker. The commission is aware of this, of course, and permits it, particularly sludge from any of the plants in the area—

Mr. Deacon: Sludge and effluent are different.

Hon. Mr. Kerr: It is pretty well the same thing.

Interjections by hon. members.

Hon. Mr. Kerr: Sludge is part of effluent. This is what they tell me. But in any event, we are aware of this. This is a licensed practice under the supervision and approval of

OWRC. They are satisfied that there is minimal runoff from these golf courses and what there is will go into a sewage system.

Most of the golf courses that I am aware of are the ones that exist between here, say and Hamilton. They are fairly removed from the lake so there does not appear any problem.

Mr. Deacon: A supplementary, Mr. Speaker: I am asking that the minister have the effluent which is now going into the lake diverted to our golf courses so that we get greener golf courses instead of greener algae.

Hon. Mr. Kerr: Yes, that is a tremendous idea.

Mr. Deacon: Will the minister have the OWRC launch an experimental programme this summer to work on that for the province?

Mr. Speaker: The member for Wentworth has the floor; the hon. member did not ask to ask for a supplementary. The member for Wentworth has the floor.

STUDY OF WORKMEN'S COMPENSATION BENEFITS

Mr. Deans: Mr. Speaker, a question of the Minister of Labour. Can the minister indicate whether the study that he suggested was being undertaken by his department into the Workmen's Compensation recipient benefits will be completed in time to make changes during this current session?

Hon. Mr. Carton: I doubt that, Mr. Speaker.

Mr. Deans: By way of supplementary question: Would the minister then agree that it is not likely that any changes will take place during this current year?

Hon. Mr. Carton: No, Mr. Speaker.

Mr. Speaker: The member for Hamilton Mountain.

Mr. R. Gisborn (Hamilton East): After the election!

REPRINT OF GERTLER REPORT

Mr. J. R. Smith (Hamilton Mountain): A question of the provincial Treasurer. Will the minister undertake to have his department reprint the Gertler report which is presently out of stock at the Queen's Printer?

Mr. MacDonald: What is the point of reprinting it?

Mr. Lewis: There was a greater run on it than the budget, if I may say so.

Hon. Mr. McKeough: I will be glad to assess the situation and see if the need is there. I believe there have been demands for a variety of reasons for extra copies. I think that might be a very worthwhile idea.

Mr. MacDonald: I will bet there have been.

Mr. J. Renwick: The commissioner may need one.

Mr. MacDonald: Distribute it to the members of the cabinet. That might be useful.

Mr. Lewis: The minister might print the original instead of the abridged version.

Mr. Speaker: The member for Grey-Bruce.

Mr. E. Sargent (Grey-Bruce): A question of the provincial Treasurer, Mr. Speaker. Could the minister advise if he—

Mr. Jackson: Mr. Speaker, a supplementary question.

Mr. Speaker: Sorry, a supplementary question.

Mr. Jackson: Would the minister, when he is reprinting the original Gertler report, include the revised Gertler report and all of the reports pertinent to it?

Hon. Mr. McKeough: We would, presumably, reprint the same version which was printed before.

Mr. Deans: How about making use of it?

Mr. Speaker: The hon. member for Grey-Bruce.

VALUE ADD-ON TAX SYSTEM

Mr. Sargent: A question of the provincial Treasurer, Mr. Speaker. Could the minister advise if he and his advisers are currently studying the feasibility of the value add-on tax system that is being considered in the States now and is in full use in Europe?

Mr. Speaker: The member for High Park?

INCREASE IN LEAD LEVELS IN ENVIRONMENT

Mr. M. Shulman (High Park): Yes, I have a question of the Minister of Energy and Resources Management, Mr. Speaker. Has the

minister taken note of the air-water pollution report of June 7, this year, which states there has been a rise in the urban lead levels of some 64 per cent in the last decade? Can the minister advise me that this means as far as health hazard goes and what the department is doing about it?

Hon. Mr. Kerr: Mr. Speaker, I think this report was—I may be wrong—the result of a discussion at a meeting, a convention, that was held recently in Ottawa, I believe.

A scientist there submitted a paper in which he made reference to leaded gasoline and the amount in the atmosphere. I would assume that this is, really, a result of increases in our motor vehicle traffic and the growth of our cities, particularly the urbanization of a large metro area.

One of the things that seems to be undecided is whether or not leaded gasoline, for example, is as much of a health hazard as unleaded gasoline. There still seems to be a controversy about this. My department and my department officials are aware of the increase in lead in the atmosphere in many of our urban centres. Of course, a recent federal report—

Mr. Sargent: If you are right there are millions of dollars being wasted!

Hon. Mr. Kerr: That is possible but, as I say, the recent report of the Canada Centre for Inland Waters, the federal agency in Burlington, indicated a great increase in lead and certain other chemicals in rain water. All I can say, Mr. Speaker, is that this would appear to be a natural result of growth and concentration of those things that contribute to this type of pollution. There does not seem to be any conclusive proof as to the degree of a health hazard to humans.

Mr. Shulman: A supplementary, if I may, Mr. Speaker: Did the study indicate that blood tests done on 872 women showed that their blood level ranged from 15.4 micrograms of lead to a level of 20.6 micrograms per 100 grams of blood; and would the minister agree that this large amount of lead in the blood of human beings is possibly dangerous and certainly not beneficial?

Hon. Mr. Kerr: I would think that a large increase of lead in the blood of humans is possibly dangerous. I really cannot say how much is dangerous.

Mr. Shulman: A further supplementary: Is there anything that the government can do

about this at the present time, or is the government doing something about it?

Hon. Mr. Kerr: The whole question, Mr. Speaker—

Mr. Shulman: Can they take the lead out of their programme?

Hon. Mr. Kerr: —of lead in fuels is being looked into; as the members knows, the petroleum industry itself—

Mr. Sargent: Just get the lead out!

Hon. Mr. Kerr: —is prepared to market and sell unleaded gasoline by about 1973, when it would be available for all types of cars. There are some cars that have to be altered in some way to enable them to use unleaded gasoline, and as the report of that conference indicates, it is important that people who use unleaded gas have the type of motor and the type of muffler that are required to minimize the danger or the advantage of using unleaded gasoline. But the industry is prepared to market this, and of course I am hoping that all types of cars will be able to use it when it is available.

Mr. Speaker: The hon. member for Huron-Bruce.

Mr. M. Gaunt (Huron-Bruce): Mr. Speaker, I have a question of the Minister of Health.

Mr. Burr: A supplementary, Mr. Speaker.

Mr. Speaker: All right, one supplementary.

Mr. F. A. Burr (Sandwich-Riverside): Thank you, Mr. Speaker. Is the minister aware that in Frankfurt, Germany—

Mr. R. F. Ruston (Essex-Kent): He just came back from Germany.

Mr. Burr: —the federal department concerned with the environment has launched a suit against the Shell oil company, Texaco and others because it claims that sanitation workers have suffered from lead poisoning as a result of their occupation, which requires them to work in the streets, where cars frequently pollute the air?

Hon. Mr. Kerr: I was not aware of that, Mr. Speaker. From the facts that the hon. member tells me, I would doubt the success of that particular lawsuit. All I can do is repeat what I have already said about the industry's plans and that they have assured us that in many jurisdictions they will be required to market unleaded gasoline. But it is very

important, I am told, that the transmissions and engines of those vehicles can properly utilize unleaded gas; otherwise not only it is not any advantage, it may be more dangerous to use unleaded gas in the type of motor that is not really geared for that. So between the petroleum industry and the automobile industry, it is hoped that all cars can use unleaded gasoline by, I believe, the year 1973.

I am also hoping of course that we will have enough information for motorists and for the public generally that it is not necessary for a big car or a car with great horsepower to use leaded gasoline. I am also hoping that the unleaded gasoline will not be at a premium price to discourage people from using unleaded gasoline.

Mr. Burr: Mr. Speaker, a supplementary.

Mr. Speaker: No, there will be no further supplementaries. The hon. member for Huron-Bruce has the floor.

COMMITTAL OF MAN TO HOSPITAL

Mr. Gaunt: Thank you, Mr. Speaker: a question of the Minister of Health: When is the minister going to answer my question of June 11?

Hon. A. B. R. Lawrence: I have forgotten what the question is, Mr. Speaker.

Mr. Gaunt: Mr. Neuhofter.

Hon. A. B. R. Lawrence: Yes, I have a report on that, Mr. Speaker. Mr. Neuhofter is charged, as I recall it, and his hearing is to come up on July 5; so my intention was not to say anything until after the hearing.

Mr. Sargent: This is the end.

Mr. Speaker: The oral question period has expired.

Petitions.

Presenting reports.

Motions.

Introduction of bills.

THE LIQUOR LICENCE ACT

Mr. Yaremko moves first reading of bill intituled, An Act to amend The Liquor Licence Act.

Motion agreed to; first reading of the bill.

Mr. J. E. Stokes (Thunder Bay): This is what the minister was supposed to do yesterday.

Mr. Sargent: I have got a further amendment. Does the minister want it?

Mr. Lawlor: Explain to us what it is all about.

Mr. Sargent: The minister is chicken. He is chicken.

THE LIQUOR CONTROL ACT

Mr. Yaremko moves first reading of bill intituled, An Act to amend The Liquor Control Act.

Motion agreed to; first reading of the bill.

Hon. J. Yaremko (Provincial Secretary): Mr. Speaker, these bills are the statutory provisions in relation to which I gave a comprehensive explanation yesterday.

AUDIT ACT

Mr. McKeough moves first reading of bill intituled, An Act to amend The Audit Act.

Motion agreed to; first reading of the bill.

Hon. Mr. McKeough: Mr. Speaker, the committee on government productivity recommended that the Provincial Auditor assume the role of Financial Auditor of Accounting Systems and Transactions; and also that the present pre-audit by the Provincial Auditor be replaced by departmental accounting control systems reinforced by a thorough-post-audit carried out by professional staff under the Provincial Auditor. This Act carries out the intent of that recommendation.

Mr. Lawlor: About time.

Mr. Nixon: The Treasurer defended that pre-audit for a long time.

Hon. Mr. McKeough: Not me.

Mr. J. E. Bullbrook (Sarnia): Come to public accounts. We will tell him how to do it.

FINANCIAL ADMINISTRATION ACT

Mr. McKeough moves first reading of bill intituled, An Act to amend The Financial Administration Act.

Motion agreed to; first reading of the bill.

Hon. Mr. McKeough: Mr. Speaker, this is mainly a housekeeping bill; and there are companion sections, to carry out the report of the committee on government productivity. The public accounts committee, I should add, over the years—

Mr. Nixon: Well see, they are following the guidelines set down over the years by the public accounts committee!

Hon. Mr. McKeough: —to complement the sections in The Financial Administration Act, and there are also some housekeeping items. I think perhaps the only one of any interest is, allowing the Treasurer to make accountable advances to departments for inventories, goods and services, pending distribution of the goods and services and proper allocation to departments, and appropriation of the charges incurred. I believe, that was recommended or concurred in by the public accounts committee. My intention, Mr. Speaker, is to take both those bills to the public accounts committee.

TILE DRAINAGE ACT, 1971

Hon. Mr. McKeough moves first reading of bill intituled, The Tile Drainage Act, 1971.

Motion agreed to; first reading of the bill.

Hon. Mr. McKeough: Mr. Speaker, this is a complete revision of The Tile Drainage Act to streamline the administrative procedures and reduce the time required to process loan applications. In addition, the limit on the total amount of debentures which may be purchased by the Treasurer of Ontario is removed. That limit is presently \$20 million and we have reached that limit. The limit on the total amount which may be borrowed by a municipality is removed, and several municipalities in that great county of Lambton have reached that limit now, and presumably there is more than adequate control through the approval given by the Ontario Municipal Board or otherwise.

CONSOLIDATED REVENUE FUND

Hon. Mr. McKeough moves first reading of bill intituled, An Act to authorize the raising of money on the credit of the Consolidated Revenue Fund.

Motion agreed to; first reading of the bill.

Hon. Mr. McKeough: Mr. Speaker, this is the usual bill brought in each year authoriz-

ing the Lieutenant-Governor-in-Council to raise money by way of loan in the manner provided in The Financial Administration Act. This year it is provided that the principal amount of any securities issued and temporary loans raised under the authority of this Act shall not exceed, in the aggregate, \$800 million.

Mr. Nixon: Is that \$300 million more than last year?

Hon. Mr. McKeough: Yes—400.

Mr. Sargent: Who sets the limit?

Hon. Mr. McKeough: This Legislature does when the members vote approval or otherwise of that bill.

Mr. Sargent: That is an \$800 million deficit.

Mr. Peacock: Nonsense! Why does the member not come by more often?

Hon. Mr. McKeough: No.

Mr. Speaker: Order! There is no debate on first reading.

ONTARIO UNIVERSITIES CAPITAL AID CORPORATION ACT, 1964

Hon. Mr. McKeough moves first reading of bill intituled, An Act to amend The Ontario Universities Capital Aid Corporation Act, 1964.

Motion agreed to; first reading of the bill.

Hon. Mr. McKeough: Mr. Speaker, the purpose of this bill is to permit the University Capital Aid Corporation to purchase from the Art Gallery of Ontario and the Royal Ontario Museum bonds and debentures issued by such institutions for capital construction projects that have been approved by the Lieutenant-Governor-in-Council.

PUBLIC SERVICE SUPERANNUATION ACT

Hon. Mr. McKeough moves first reading of bill intituled, An Act to amend The Public Service Superannuation Act.

Motion agreed to; first reading of the bill.

Mr. E. W. Sopha (Sudbury): Is there anything in the minister's department that does not need to be corrected?

Hon. Mr. McKeough: Mr. Speaker, this represents some six sections, mainly house-keeping, that I think generally could be described as increasing the portability of The Public Service Superannuation Amendment Act; authorizing transfers between other such funds, and in particular allowing full-time members of boards, commissions or provincial foundations to contribute to the funds, subject to the approval of the Lieutenant-Governor-in-Council.

DRAINAGE ACT, 1962-1963

Mr. Jackson moves first reading of bill intituled, An Act to amend The Drainage Act, 1962-1963.

Motion agreed to; first reading of the bill.

Mr. Jackson: Mr. Speaker, this bill requires the council of a local municipality to determine the amount of money to be spent on construction of a drainage works, and to instruct the engineer appointed to carry out a feasibility study to ensure the project can be carried out within the amount determined.

It was introduced because of events that took place in Strong and Hilliard townships during the past year.

Mr. Speaker: Orders of the day.

HUMAN TISSUE GIFT ACT, 1971

Hon. A. B. R. Lawrence moves second reading of Bill 65, The Human Tissue Gift Act, 1971.

Mr. Speaker: Is there a member of the official opposition wishing to speak on this? If not, the member for Sandwich-Riverside.

Mr. F. A. Burr (Sandwich-Riverside): Mr. Speaker, in supporting this bill we must draw attention to the urgent need for transplants of human tissue and organs.

The Wall Street Journal on March 10, 1969, predicted that 8,000 Americans would die during the year for lack of either artificial kidney machines or actual kidney transplants.

We must draw attention to the urgency of the need for speed in transplanting human organs and tissues. For example, when two kidneys recently became available because of an industrial accident in or near Toronto, a woman was flown from Winnipeg to receive one of them and a Toronto man received the other. Toronto General Hospital

authorities said there was a long list of patients awaiting transplants. Doctors said that there was an urgent need for donors and that this was the first kidney transplant in four months at this hospital because of the donor shortage.

Because of the high number of accidental deaths, especially those resulting from automobile accidents, it seems almost certain that during those four months several opportunities for these urgently needed transplants had been lost because of the slow procedure required to make legal arrangements. Not so long ago a 15-year-old Rexdale girl received a kidney flown in from Los Angeles to Toronto. This dramatized the acute shortage of donors.

It is essential then that everything possible be done to simplify the legal requirements and to shorten the delay. A consent card carried by the victims of fatal accidents would be the answer. Let me read a brief excerpt from Time magazine of July 13, 1970, page 53:

At Salt Lake City's University of Utah Hospital a 57-year-old man lay dying after heart surgery. In his wallet was a card that read, "Desiring that humanity may benefit, I hereby give for any lawful medical purpose any specific organs or parts of my body determined to be medically usable upon my death." In the past hospital authorities would have had to negotiate with the patient's next-of-kin to obtain organs for transplant, and the organs might have deteriorated and become unusable before permission was obtained. There was no such delay in the Utah hospital.

Informed by the patient's wife about the donor card, surgeons were able to operate on him as soon as he was pronounced legally dead. They removed both kidneys for transplant and both eyes for corneal grafts. Within a few hours one of each was used for transplant in other patients. The speedy donation was made possible by Utah's passage of The Uniform Anatomical Gift Act, which gives any patient the right to bequeath his body or organs for medical purposes. Because of almost nationwide adoption of the Act and changing public attitudes toward transplants, surgeons, long frustrated by a shortage of donor organs, now foresee an increase in supplies.

From a medical viewpoint, one of the best potential sources of healthy tissues for trans-

plants is the person whose death is caused by an auto accident. It is in such an instance, however, that next-of-kin are usually not readily available. Consequently there can be a loss of valuable time while a frantic search is made for one of a series of readily available relatives, as the Act says in sections 5 (b), (c), (d), (e), (f) and (g).

There is also the difficulty of presenting to a grieving relative, often in a state of shock, the suggestion of a transplant, an idea that may be completely new and unexpected to the one bereaved. In the midst of sudden grief, this idea may even seem repugnant.

I believe it is obvious, Mr. Speaker, that if every person who wished to donate a post mortem gift of organs or tissues indicated this sometime before death, and carried a card to this effect at the time of death, the legal aspect of transplants would be eliminated and no difficulty or delay would impede the transplant.

To this end, may I urge, as I have done before, that a card suitable for such a purpose be made available to the public.

The eye bank of Canada, the Ontario division, sponsored by the department of ophthalmology, University of Toronto, and by the Canadian National Institute for the Blind, has such a card. One part of the card is headed "Consent Form." It reads as follows:

I, the husband or wife or next-of-kin or person lawfully in charge of the body of the deceased, do hereby consent to the removal of the eyes of the deceased, according to his expressed wish.

There is a space for signature, date and witness.

The consent card for a human tissues gift which I advocate would be carried in the wallet or the purse, along with all the other cards such as social security and driver's licence. In case of a sudden accidental death, this consent in writing would almost certainly be readily available. There would be no time wasted in locating the next-of-kin. There would be no time or agony wasted by doctors or hospital officials in devising a sufficiently tactful means of suggesting the giving of a human tissue gift without appearing to be more interested in the transplant than sympathetic to the one bereaved.

This bill will certainly facilitate transplants or organs and tissues from a dead human body to a living human body but by making some provision for a consent card and for

its widespread distribution, the minister would be removing almost all the remaining roadblocks in the way of expediting these transplants.

The success of the use of a consent card depends, of course, both on widespread distribution and on widespread publicity. The eye bank card is fine, but how widely distributed is it? I have one of these cards but it was only with considerable difficulty that I was able to find out where the card was available. In the same way, a consent form for a gift of human tissue would be of little use unless it were widely publicized and widely distributed.

Personally, I suggest that the most effective means of distributing this consent card would be as an appendage to the driver's licence if the co-operation of the Minister of Transportation and Communications (Mr. MacNaughton) could be obtained. A consent form could be attached to the permit when printed, or given out with it. There would be, of course, no compulsion to sign the form. What is important is the fact that it would be available and would be drawn to the individual's attention.

Large numbers of benevolent people now die without donating their remains to medical science, for education or transplants, simply because the idea did not occur to them or because the opportunity to make arrangements did not present itself. Many, perhaps many here, intend to do this; but expecting to live for many more years, they procrastinate. Many intend to donate their bodies at death for the benefit of the living and so indicate in their wills, yet for certain parts of the body, for example veins and kidneys, this means that by the time the wishes of the deceased have become known it is too late.

There is evidence that the driver's licence appendage that I suggest may be the best means of popularizing consent cards or donor cards. The Automobile Association of Great Britain has endorsed the appeal of a leading British surgeon to have every member of its organization sign and carry a consent form along with his driver's licence.

Two years ago, Mr. Speaker, on June 20, 1969, during private members' hour, I concluded a speech on a bill I introduced on this subject as follows:

—I urge hon. members to support this bill and to urge the government to do two things: First, to have The Department of Health introduce legislation similar to that suggested in Bill 57; and, second, to have The Department of Transport popularize consent forms, perhaps even by incorporating them in the driver's permit.

Now I have not drafted an amendment, but I should like to ask the minister to consider bringing in an amendment before the bill comes back to Committee of the Whole. The amendment might say that consent cards or donor cards shall be made available by the minister as one means by which a donor can give his permission for post-mortem use of his organs or tissues.

To summarize, Mr. Speaker, I make these three points: First, a donor's consent card would facilitate tissue gift transplants; second, the more people carrying donor consent cards, the greater the benefits to waiting patients; and third, the greater the publicity and the easier the availability of cards, the greater the number of people who will carry donor consent cards.

On behalf of this party, Mr. Speaker, I am happy to endorse the principle of this bill.

Mr. R. F. Nixon (Leader of the Opposition): Mr. Speaker, we in the Liberal Party support the principle of the bill as well. The legislation has permitted the disposal of organs and tissues for some period of time, but as the minister and the hon. member who has just spoken have pointed out, often the wishes of the donor following his death are not, or cannot, be carried out.

This bill, I believe, at least strengthens the possibility of an individual having his wishes carried out, even in circumstances where other members of his family might not approve or where, in fact, his wishes are either not understood or known. Certainly the history of recent medical scientific development indicates as much as any other individual factor the importance of the legislation.

Mr. B. Newman (Windsor-Walkerville): Mr. Speaker, I would like to make a few short remarks on this bill. They hinge around giving some type of recognition to the immediate relatives of the donor of various tissues or parts of his body, so that at least we would follow the principles that the Red Cross does on blood donations, that having made a donation of blood you are formally recognized as performing a real service. Likewise, the immediate next-of-kin of the individual who now ensures that his tissues and various organs of his body are put to some beneficial use, should receive some type of recognition, even if it was only a letter or something similar from the minister's office.

Mr. E. W. Sopha (Sudbury): Mr. Speaker, I see a grave deficiency in the bill, in section 7, which appears to me to be, as

written, something of a motherhood statement.

If you look at it, it says: "For the purposes of the post mortem transplant, the fact of death will be determined by at least two physicians in accordance with accepted medical practice," whatever that is.

As one who has been involved in medical malpractice suits, as I have, I begin to doubt whether there is any such thing as accepted medical practice. It depends where you are, the level of skill, the capabilities of the local practitioners and many other variables.

I think the wording of the section was an attempt to get around the difficulty the medical profession is having among its own members to determine just when death occurs. You will readily see the dangers inherent in this type of language.

It is not to exaggerate or to torture language to say that there might be a certain eagerness that might surround the environment in that a certain organ of the human body is wanted and needed and there is a desperate anxiety to get that organ and to get it into the body of a donee. The wording used in this section, it seems to me, does not afford a great deal of protection to the prospective donor who is at the gates of Valhalla. He is in durance vile, ready to depart from life. I do not think it sufficient to say that two physicians shall determine when death occurs according "to accepted medical practice." I would put the standard of determination, or make it reside in some person of greater responsibility, identified within the institution. I do not see why the chief of the medical staff, for example, should not be one of the determiners of the fact of death—the head of the appropriate department, perhaps a neurologist or a neurosurgeon in respect of a head injury; the head of the cardio-vascular department in respect of some vascular accident that has occurred. But to take any two physicians—and you know the practice in hospitals of what is it called, the blue light, the blue alarm that occurs—that means the first two on the scene.

Under the standards set down by this legislation there is not protection in respect of the competence of the two people who come in and say that this person is dead. One follows the daily press. One sees that the medical profession itself is wrestling with the problem. The draftsmen of the legislation, approved by the Minister of Health (Mr. A. B. R. Lawrence), in that very wide

and vague language that is used there—I underscore—do not seem to me to give a great deal of protection. We have heard about the body arriving at the doors of the funeral director's elaborate establishment, being brought there by the attendants and suddenly the lid of the box moves and the so-called corpse is found to be very viable.

In all these things, one does not have to stretch the imagination in order to portray the risk that is positive. This Act goes quite a long way toward the development of the new principle, initiating steps to a new world of science. That is all very exciting, in that perhaps in 25 or 50 years people will be walking around with all sorts of organs that belong to other people as the science of genetics expands its horizons. The draftsmen here have shirked their responsibility—I hope it does not put it too strongly to say that—in that they have used vague and ambiguous language that upon examination—language is a vehicle—is found to be quite meaningless in respect of this very important incident of this Act. I leave it at that point.

With regard to section 9, of course, we are embarking into an era where everybody, just everybody that is anybody in the community, now wants exculpation from liability. If you have any status at all it just seems to me, and I do not think I am exaggerating, if you are performing any sort of important function in the community at all, in order to build your status you must have a legislative statement that you are exculpated from liability. It sort of shows how important you are, the drama and the potentiality of the results of your activity.

This section, as a matter of principle, strikes me as a very bad one. It says:

No action or other proceeding for damages lies against any person for any act done in good faith and without negligence in the exercise or intended exercise—

What would he be liable for? What would the person be liable for? is the natural question. "Done in good faith and without negligence." You take away those two and that covers just about every variety of tortious conduct that you can imagine.

I am wondering why they even bothered to put it in if the action for negligence arises. Then you think of the other torts—assault, for example, which would be deemed to be the most appropriate one. Can you conceive of an assault that is done in good faith? Is that possible?

And why should the people be protected from liability in tort? Why should they not be like the rest of us?

It is a matter of great pride to me that the one profession that is never seeking for exculpation by legislative language is the legal profession. They have never asked to be insulated so far as I am aware.

To live in a democratic, civilized community, one of the burdens, one of the responsibilities certainly must be that if you do something wrong by your neighbour, you can expect to pay; and that is how it should be. All we ask is that people pursue the conduct of the mythical reasonable man, and they are sufficiently insulated.

But if an individual citizen, a person working in a hospital, say departs from that norm, which really is not a very burdensome one, then it follows logically, I think, that in a society that believes in the principle of shifting losses from the injured person to the whole of society, he ought to be liable. And people in hospitals, to which this applies, can get insurance like the rest of us. For a premium they can purchase protection against the financial strain that a judgement for damages would descend.

But as long as I am a legislator, Mr. Speaker, I am going to look with great suspicion on this plethora of statutes that now come forward, presented to the House, in which insulation from ordinary liability is sought.

Just a week or so ago of course, we accorded it to—I believe it was an amendment to The Business Corporations Act—the trust companies liked it in handling trust indentures. All kinds of people in the financial world want to be protected. I do not see why the legislative counsel, whoever is responsible for the drafting of this bill—as I look over to your right behind I have more than a faint suspicion who is the draftsman of the bill. But if you will hearken to my words, I do not see that when people come forward and ask for insulation or protection against ordinary tort liability we have to accede to it.

Let us get back on the right track and assume that everybody is liable for waywardness, for departure from the norm of the reasonable man. That is a good safe position to take: As long as you watch what you are doing, exercise reasonable care, pay attention, have thought, you are safe and secure. It is only when you deviate from the straight and narrow that you have to worry. That is

how it should be. Then it is for the courts to determine how much your conduct has departed from the norm and how much the injured should receive.

Well, as I sit down we are going to vote for this bill, but it is not part of our duty as Her Majesty's loyal Opposition to start to turn handsprings and fall all over in an exercise in exultation about it; that is not what we are paid for. It looks to me like the bill was drafted in haste and especially in respect of that section 7.

Another thing that bothers me about it is all those people under section 5 who have the authority to give consent and permission. They have got everybody in there except the janitor of the hospital. Just about everybody else is able if a person is in a comatose state and he cannot utter the magic words himself that they can have his kidneys, his spleen or whatever it is. I do not make light of it; if he cannot do it himself, then there are other people from (a) to (g) who may do it.

I do not know that it is all a matter of their business to be giving away the organs of a person who is in duress, unable to decide for himself. It is almost amusing as it goes on to section "j," where it refers to the "telegraphic, recorded telephonic or other recorded message." In other words, there has to be a characteristic of permanency about this in order to prove, I suppose, at some future time, that the transplant ought to have been made.

It may well be, living in this democracy, that many people in anticipation of death, in expectation of that finality that must come to us all, that (a) they have not given any thought at all to the giving away of an organ; or (b) if they did think about it, they would not want to do it.

That does not, in any way, denigrate from the value and the validity of the frontier of medical science on which we are embarking. But one has some suspicion about these large steps that the minister wants to take in the bill and I do not really see that it is really the business of all those people to make that decision.

The family is all right, I suppose. "The person lawfully in possession of the body"—that one really defies me. That boggles the mind to determine who that might be, although I notice a later section rules out the foreigner as being one of those persons.

"The administrative head of the hospital" well again I come back to that theme of

eagerness about it. You sit down with this thought that it is a frightening proposition, much of this. From what I read, we really are only on the frontiers of this new and exciting rubric of medical science. We are just barely over the shady area.

It is all very well for Christian Barnard to remove a heart and put it into another person. One observes two things. One observes that none of his patients are alive and the second thing is that one observes that there is a considerable amount of contention about the usefulness of the procedure. Here in Canada the cardiovascular man in Edmonton who is hailed across the country as being one of the leading experts in the field, and his name escapes me for the moment though it may be Callaghan—yes, that is his name, Dr. Callaghan—was quite outspoken about the usefulness of Barnard's operation.

So it goes. I do not know that any of them are alive at all, except it seems to me in the paper the other day one left the hospital, somewhere, who had been the recipient of a heart.

I say that, in order to underline the point, the Minister of Health is obliged to be extremely careful in this area, to think through all the implications of what he is doing and that which he is embarking upon. Just because it is exciting, it is novel, it is daring, it involves consummate skills in medical knowledge, that does not mean that the Minister of Health is entitled to rush in here with a badly worded statute where there are not sufficient safeguards.

I wanted to temper all the exuberance over here and I never heard the voice of my friend from Sandwich-Riverside as exuberant as it was when he declared how he would support this bill. I have considerable misgivings about it myself and I am glad to have the opportunity to express them.

Mr. Speaker: Does the hon. member for Middlesex South wish to speak?

Mr. K. C. Bolton (Middlesex South): No, Mr. Speaker, not at the moment.

Mr. Speaker: The member for Grey-Bruce.

Mr. E. Sargent (Grey-Bruce): Mr. Speaker, I support my party in this bill. I commend the minister on bringing this in, because I think it is well overdue, it is very timely.

We have, in Owen Sound city hall, a plaque; an Owen Sound man was the first man to get a kidney transplant, and he is still living, and I think that was two or three years ago.

I have often thought, Mr. Speaker, that I would like to donate my eyes or any useful part of my body, but I did not know there was any way I could do it. If there is a list in the House to be made up, I am the first guy to give any used parts I have for the list there.

Mr. D. M. Deacon (York Centre): There are a lot of good used parts there.

Mr. B. Newman: A lot of good parts!

Mr. Sargent: The fact is, my friend from Windsor mentioned the fact of recognition of the family of a deceased. This is in the post mortem factor here; the family of a deceased should be recognized in some way for saving a life, or have some recognition. I do not think you can make it financial although the surgeon making the transplant charges a goodly round sum. It is used parts he is using, and I think that there should be some form of recognition in this area.

I go along with my colleague from Sudbury though, when he talks about section 5, and we go down the pipe here. It says:

When a person of any age who has not given a consent under section 4 when he dies, or in the opinion of a physician is incapable of giving a consent by reason of injury or disease, and death is imminent—

It lists the spouse and the children, the parents, and brothers and sisters or next-of-kin who can—the administrative head of the hospital. It goes on to say in the next clause, clause (h) “or other persons.” I think this opens a big area in the years to come. This is a thing of concern to me, that anyone could make themselves a broker for used parts. How does the minister interpret that clause, subsection (f) of clause 5?

Hon. A. B. R. Lawrence (Minister of Health): The “other persons” refers to the group from (a) to (g). In other words the lowest denominator would be the administrative head of a hospital.

Mr. Sargent: I am opposed to that, too. I think that is opening the door too wide. If I die in a car accident, and if I were not inclined to be a guinea pig or a used parts distributor, I would not like some joker I had never heard of or met before to make a decision that I am going to be a party to an expensive operation for a surgeon to make a potful of money. I do not think that is right.

I think there should be something confining it to the area of the family or kinfolk. I agree with my colleague from Sudbury in that regard but on the whole I am supporting the bill. It is a fine piece of legislation.

Mr. Speaker: The member for Middlesex South.

Mr. Bolton: Mr. Speaker, I rise to support the bill on the principle that the saving of life is a very important private and public responsibility. I am one who has had some experience in hospitals and with the bereaved and this bill moves in a very sound direction.

In passing, I must make reference to the member for Sudbury referring to the doubtful value of some transplants and the usefulness of the procedure. I would like to suggest there is nothing really more useless than merely putting a body in the ground or burning it. If, by any chance, any part of any human body can give some chance of some saving of life, or even retention of life for a certain length of time, that opportunity should be provided under proper medical supervision.

Mr. Sopha: The member is not much of a believer in freedom.

Mr. Bolton: I beg the member's pardon?

Mr. Sopha: The member is not much of a believer in freedom. A person's body is his private possession; that is all he has got in this life.

An hon. member: In this life?

Mr. Bolton: Mr. Speaker, from time to time I feel mildly rebuked by the last speaker who implies directly and indirectly that no one should make any reference to legal matters without being a lawyer. I would like to insist that here I speak on something about which he may be inexperienced.

An. hon. member: Hear, hear!

Another hon. member: He has not died yet.

Mr. Bolton: He has not yet been certified as dead!

Mr. Sargent: Well he is with you up there.

Mr. Speaker: Order!

Mr. Bolton: I make no claim of that nature.

Mr. W. Ferrier (Cochrane South): How high is up and where does it begin?

Mr. Bolton: I am not quite sure by what definition the hon. member for Sudbury would refer to one's freedom after death has occurred. But in the list under section 5 of those who may give consent for this use of a discarded dead body, there are many who would know the will, the intention and the attitude of the deceased, who would know whether he would be prepared to grant the use of his organs. In his lifetime he would have indicated the type of person he was and what nature of freedom he held to himself.

Certainly one would feel that to hug the desire to hold onto one's dead body is not necessarily an indication of freedom, unless freedom is to be defined as innate selfishness.

I support this bill, because I have been in the situation where there has been urgent need. I have dealt with the bereaved; I know the difficulty. Here I support what the member for Windsor-Walkerville has said: I urge recognition of the need to make prior planning for this, because at the moment of bereavement it is very hard for the bereaved to make a decision.

I have sat many times with people who have been bereaved, assisting them to make their decision about post mortem examination—a very difficult decision for them to make. When they have made the decision to allow post mortems, they have later been very grateful that they have made some contribution to science. I urge that everything be done that is possible to make prior planning available so that people in bereavement may not be faced with a difficult decision.

I must say in passing, Mr. Speaker, I am very cool to the suggestion that the family of the donor should receive some special award and especially to any reference to money. I think that if one has done this sort of thing, the fact of having done it is sufficient without any recognition. However, be that as it may, I support this bill with very firm support.

Mr. Speaker: The member for Cochrane South.

Mr. Ferrier: Yes, Mr. Speaker, I rise as well to support the principle of this bill. I think that it is a basic Christian principle at least that we are to enhance the quality of life, to have a reverence for life and to promote life. I think the possibility of be-

queathing various parts of one's body so that someone will be able to benefit and derive some good from that after the death of the person, is a very valid and important principle. This bill is to facilitate that principle and to make it easier for a donor to provide his body or parts of his body for the living to benefit from.

I think, as the member for Sandwich-Riverside suggested, where a person wishes to make a donation of his body or a part thereof, that there must be some manner found to make this known to the doctor or whoever it might be. In the case of an accident, the card principle is a very worthy and good thing. I think that the medical profession itself needs to understand, or know, that a person who wants to donate part of his body should be given that privilege.

I remember how one of my parishioners, who wished to make a donation of his eyes for an eye transplant—I think it was a cornea transplant—had made provision for it; when this gentleman died, the doctor did not proceed with his wishes and there was a great deal of disappointment in that family. I think that as far as is practicable the medical profession as well should adhere to the wishes of the person in this regard.

I would say that if the medical profession carry out procedures that they feel are going to prolong life and be of value to people, we should encourage them and support them in this regard. There is a parish priest in north Toronto, Father Madigan, who has been given a new lease on life because of a new heart provided for him, and I am sure he would be one of the first people to thank God, the medical profession and the particular donor for the new gift of life and lease of life, however long or short it may be.

So I think the minister, in introducing this legislation, and in facilitating this particular practice and these procedures, is doing a very important thing for society and for people; and I too would like to give him my support and commendations.

Mr. Speaker: The member for York Centre.

Mr. Deacon: Mr. Speaker, I also endorse this bill. I personally have some concern about how those who have willed their bodies for medical uses may be known in the event of death. In my own case and my wife's, we have given written direction to this effect, but I am always wondering how, in the case of unexpected death some-

where, any one would know. I am concerned about the part of the bill which says that it is an offence to make it known. Should there not be some sort of method of identification, such as is used for Medic-Alert for those who have allergies? Those who do wish to have their body willed could have something in the way of a chain or something attached to them which would identify them in the case of some unexpected death.

Mr. Speaker: The member for Humber.

Mr. G. Ben (Humber): Mr. Speaker, in rising to support the principle of this bill I am pleased to say that at the present time, no one has risen in opposition to it.

What does bother us are some of the principles involved in the bill itself. I can understand how difficult it is with some people to reconcile this bill with some of the religious beliefs that have been inculcated in them during their lifetime.

I imagine it is still difficult for us to separate the soul from the body, if we can get into a theological discussion. Those of us who believe in a hereafter are too apt to believe in a hereafter where we will wander in our present form, that is with our arms and legs and body and head as we see it on earth. That perhaps may not be what the hereafter is.

The early Egyptians, of course, believed that you went in one piece to a hereafter. They made sure that the high-placed had with them their retinue of servants and their chariots and food and clothing and spears and anything else to make their life in the hereafter enjoyable.

I say this, Mr. Speaker, because I do believe that what makes this bill repugnant or difficult to accept for many people is their belief in the hereafter, but in a hereafter where they cannot visualize anybody being without his heart or his leg or his arm or his eyes or any other part of his body.

So we must have some compassion and understanding for those people. On the other hand, I was interested in listening to the member for Cochrane South talk about Christian beliefs. I appreciate what he was trying to say, but in an analysis we have to admit that it is not a totally Christian belief, nor is it a Christian belief in total.

I refer, of course, to the Jehovah's Witnesses sect. That is a Christian sect, but they do not even accept blood transfusions. Those people we could not offend by making it possible that they should, in essence, lose

any part of their being or be involved in an operation of that sort. The Jehovah's Witnesses do not vote. They will not volunteer because there would be no hereafter for them in their philosophy. The reason that they do not consent to blood transfusions is that it is contrary to their teachings, their interpretation of the Bible—that anybody who does eat blood or take in blood is absolutely and irrevocably excluded from the possibility of attaining the hereafter. They do not guarantee—

Mr. I. Deans (Wentworth): But they do not have to do it.

Mr. Ben: I beg pardon?

Mr. Deans: They do not have to do it.

Mr. Ben: They do not have to do what?

Mr. Ferrier: This bill is not compulsory.

Mr. Ben: The member does not follow me. We should be dealing with the sections, if we look at section 5 (1)(g), it is possible that a person who belongs to the sect known as the Jehovah's Witnesses could have a part of his body or his anatomy taken and donated to somebody else. This is the thing I think my friend from Sudbury was mentioning when he was talking about personal liberties.

I would suggest that a Jehovah's Witness has the right to die and rest in peace in his faith—that he has a chance to attain the hereafter. If he believes that he must go in one piece I think it is certainly depriving him of his religious rights for him to be buried in other than one piece.

Perhaps a solution may be, Mr. Speaker, that people who do not wish any part of their anatomy to be donated for other purposes may wear one of those wrist bands that people with allergies wear, and the person who so classes himself should have his wishes obeyed.

We can go into the discussion of Dr. Barnard's patients having died. That is true, and some may say that God demonstrates his opposition to transplants because these people died. But on the other hand, death is the way of all flesh.

Still, there are, as the hon. member for Cochrane South said, a number of them still living, and one is the Reverend Madigan. As a matter of fact, I believe we have at least two people in Metropolitan Toronto who are alive and well, who have received transplants.

What strikes me, Mr. Speaker, is that transplants received their greatest notoriety with the operation performed by Dr. Barnard and his team in transplanting a heart. Up to that time there had been many breakthroughs in medicine—transplants of the cornea of eyes, transplants of kidneys, even transplants of digits, and we have come to accept those things as being modern medical practice. It was not until we transplanted a heart that some people suggested that you might be able to transplant the brain. We got into an academic discussion as to the entity of the resulting individual and people started to concern themselves about transplants.

I do not see the point of view of my colleague from Sudbury. We must support the principle of this bill, but by supporting the principle of this bill we must also do our utmost to protect the legal and the religious and democratic beliefs and freedoms of those who may be opposed to having any part of their body taken away and given to somebody else.

It is said: "Greater love hath no man that he will lay down his life for another."

Mr. Sopha: "For his brother."

Mr. Ben: And one can argue that that is the greatest love. To have a part of a dead body transplanted is still a demonstration of love, but not to that degree.

It is easy to say that the dead should serve the living and not the living the dead. I find all kinds of reasons for it, but the fact still remains we all have our own little peculiarities, our own beliefs, our own scruples and if we are going to believe in democracy, if we are going to believe in freedom of religion, we must try to protect our rights to these beliefs.

I do hope that when we come to a clause by clause discussion, Mr. Speaker, we will not have to engage in a long debate with reference to section 5, subparagraph (1), clause (g), but that you will find some way to protect the religious principles of those who oppose having any part of their body transplanted. You may put in the regulation that any one who does have one of those MedicAlert bracelets on their arms which indicates that he is opposed to having any part of his body taken or made available to another, would have his wish respected at least in that regard.

It is appreciated, Mr. Speaker, that the law states that the deceased no longer has any right to the disposition of his body, but

that his body belongs to the administrators or the executors of his estate. That is trite and fixed law. On the other hand, I do think that a person should have some ability to make what is called his last will and testament and that to some degree, especially if it is based on very deep-seated religious beliefs, his last will should be heeded.

Notwithstanding some of these arguments which we have presented on the weaknesses of the bill, our party does support the principles enunciated in this bill.

Mr. Speaker: The member for Waterloo North.

Mr. E. R. Good (Waterloo North): Mr. Speaker, I would like to speak on second reading of this bill and commend in particular the first part, which now permits a person to give direction as to the disposition of his body or the use of parts thereof after death which can no longer be counteracted by the wishes or demands of either next-of-kin or spouse or the executors of his estate.

Many times the disposition of a dead human body or parts thereof, is in the final analysis directed by the executors of the deceased person's estate and they are called upon in many instances to make final decisions as to authority for cremation and things of this sort. So the first part of the bill, which now gives the person, while living, the right to sign a consent for the use of parts or organs of his body, as described in the bill, or the final disposition of the body, is fine. I think that is very commendable and will clear up some problems which arise.

The second part, the principle involved there—which I understand is to facilitate the procuring of organs for transplants or other scientific research or medical education, I think that includes section 4 and section 5—leaves a lot to be desired.

Having had years of experience in the funeral directing business and knowing what happens with consent regarding the performance of autopsies, I feel that the section here giving consent for this purpose—which in effect overlaps many of the purposes of autopsies in regular hospital routine autopsies—the consents here are perhaps more loosely provided for and much more ambiguous than they should be as to who in the final analysis gives the consent.

In dealing with this principle of a case where no pre-death consent had been given by the deceased, we now find that for these uses of medical research or medical educa-

tion or therapeutic purposes, consent may be given by the spouse; or if none, or if the spouse is not readily available—that is a very ambiguous phrase, Mr. Speaker—then the consent may be given by one child who has attained the age of majority; or if there are none, and if the child is not readily available, then by the parents; or if there be none and the parents are not readily available, then by the brothers and sisters.

Maybe at the time the wife is somewhere, but in view of some persons wanting the consent she is not “readily available.” Mr. Speaker—

Mr. Sopha: She is out having her hair done.

Mr. Good: —I suggest this is too loose a form of consent to be given for something which to many people is held as a very serious and vital matter, as to the disposition of the organs, or in fact the whole body of someone who has died within that family relationship.

Then we get right down to the point that if there be none, or if none is readily available, in the final analysis the hospital administrator may give consent. I just cannot accept this, Mr. Speaker, as being the proper and valid way of trying to facilitate—the explanatory notes say “facilitate the disposition of dead human bodies or parts thereof.” We have very closely guarded the methods that have been used for the disposition of parts used in medical research by regular coroner’s autopsies or routine hospital autopsies.

Let me suggest to you, Mr. Speaker, that before consent is given there, often bodies are held without release for a good length of time until some proper authorizing person has been reached, who either gives consent or does not give consent. Hospitals now look on this as a very serious matter.

Another point that I feel should be clarified here very definitely, is I feel that there have been in practice generally, with consents used for autopsies in hospitals, practices which I consider to be rather questionable. A consent is asked for an autopsy and in no way, I have found in experience, have proper explanations been given to people as to exactly what is involved.

For instance, the fine print on some hospital autopsy forms states that by signing this form the family is giving consent for parts to be used for research or for incineration after research at the discretion of the hospi-

tal. These things are in many cases not properly explained to families before a consent form is asked for.

We have had instances where hospitals have asked funeral directors to sign a consent form for the disposition of organs when they are finished with them after an autopsy. In no way is a funeral director authorized to do this, but hospitals have been using this practice.

I would suggest that section 5 dealing with consents from next-of-kin and other persons, where no prior direction has been given, must certainly be looked at more closely so that practices will not develop which will be detrimental to the well-being and the psychological effect on the close relatives and family. This clause, “if not readily available,” should certainly be omitted in the final analysis. That distorts the whole principle of the bill, in my view.

The only other point, Mr. Speaker, is I see nothing in the bill—and it does affect the principle of the bill; it speaks of the procedure required where no prior consent before death has been given—but what about, as mentioned by the hon. member for Humber, where direction has been given that no parts of the body or the body itself be used for medical research? In that case there is nothing mentioned.

That, I think, could be considered under section 5 and the principle there would be that no consent has been given for use. In fact any of these persons listed could then give consent and directly violate the intentions of the person prior to death.

These are the points I feel. In general principle, the idea of the person being able to give direction before death which cannot be countermanded after death, is very good. The other principle of consent, I think, needs a great deal of work.

Mr. Speaker: Is there any other member who wishes to speak to this bill before the minister?

Hon. A. B. R. Lawrence: Mr. Speaker, with regard to the consent card, or form of consent—whether it be a card or other means of communication—I would suggest that this is not something that need be required in the legislation. I would certainly, as Minister of Health, or any Minister of Health I think, look very favourably upon the developing of a system of consent. The suggestion that this be attached to the driver’s licence is one that would have to be considered. As I was sitting

here, it struck me that there might be advantages in moving beyond that and in some way hitching the question of consent from an administrative point of view to the OHSIP, OHSC, in other words, the Medicare total health insurance thing. If we could—again I am speculating, but it is merely to show my interest in this—I could picture the consent or non-consent coming to some of the sensibilities of others both being very easily and accurately and quickly recorded in the ultimate—as you know next year—single premium, single insurance function we will have. This would mean this could easily be on computers and be taken off the computer very quickly either with consent or no consent, I do not think either of them hinging on the necessity of having it in statute at this point.

With regard to the question raised by the hon. member for Sudbury concerning accepted medical practice, I think the only thing I can underline there is that I am advised that in those jurisdictions where they have tried to define death by statute they have found themselves, as it were, worse off in finding a way out of the entanglements than without it. Within accepted medical practice, I am sure we will find developing, for instance, the electro-encephalogram straight line as being one of the ingredients of a definition of death. I think in France they tried to build this into regulation or law in relation to death. The term, "accepted medical practice," may seem wide today, but it does leave us free to develop the technology, develop the scientific definitions that can make the system work.

I am very sympathetic, as an ex-lawyer, to the member for Sudbury's remarks with regard to "good faith and without negligence." I would readily accept that. I do not think you can quarrel with the argument. But to the extent that getting legislation like this accepted with any degree of enthusiasm by all concerned is important, politics is the art of the possible.

It is important that when we bring something such as this forward that we have, as we have here, the medical-legal society of Toronto satisfied basically in part of the development of it; that we have had the conference of commissioners on uniformity of legislation in Canada approve the draft bill in 1970, and that we have had the council of the Ontario Medical Association last year give its approval. He and I both know that those who are not lawyers feel greatly comforted, although it may be sloppy law,

by such terms as the "good-faith-without-negligence" phraseology.

I think that is all I have to say, Mr. Speaker.

Motion agreed to; second reading of the bill.

Mr. Speaker: Shall this bill be ordered for third reading?

Hon. A. B. R. Lawrence: Committee of the Whole House.

Mr. Speaker: Committee of the Whole House.

VENEREAL DISEASES PREVENTION ACT

Hon. A. B. R. Lawrence moves second reading of Bill 66, An Act to amend The Venereal Diseases Prevention Act.

Mr. Ferrier: There are just one or two remarks that I would like to make about this bill, Mr. Speaker. The bill, as it is drafted, says that persons 16 years of age or over can be treated without requiring parental consent. There is a problem, I am informed by one of my colleagues, about those who are under 16 who may contract venereal disease. If the parents have got to be informed as to the treatment that is being performed then it could very well act as a deterrent on that young person going to seek medical attention, which he should have so badly.

I just wonder if the minister has considered this aspect of the problem and whether he has any solution as to how it may be conquered? I wonder, in terms of the Act, whether in the contact method that seems to be suggested here there may not be merit in a wider publishing of the places, the various clinics, where young people can go to get treatment, rather than rely on the contact followup method that there is now?

I would think that if greater attention were given to publicizing the clinics, and some method derived whereby those under 16 could receive treatment without their parents being told what they were being treated for, a good deal more good might result and this present epidemic that is so widespread might be tackled a little more effectively by The Department of Health.

Mr. Speaker: Is there any other member who wishes to speak to this bill? Does the minister wish to speak to it?

Hon. A. B. R. Lawrence: Mr. Speaker, only to say that there is no real magic in 16 years. It is identical to the age that the medical profession accepts as being an age where they will develop a patient and physician relationship without going to the parent. It has that advantage.

Again, going down to the level below that particular age, you have to transpose yourself into the position of a parent wanting to know of the illness or otherwise of the child.

I would agree with regard to the question of the necessary impact of publicity and the use of the clinics. As I think I mentioned earlier—I think during my estimates—there is a programme which I hope to see brought forward with some impact this summer which—building on the last number of months of training and educating nurses and doctors in their role—will develop now into one relating to publicity not only in our schools but generally throughout the media and to the public.

The impact of this programme plus the increase in the number of clinics being opened I hope will be felt late this summer or early this fall.

Motion agreed to; second reading of the bill.

Mr. Speaker: Shall this bill be ordered for third reading?

Agreed to.

NURSING HOMES ACT

Hon. A. B. R. Lawrence moves second reading of Bill 67, An Act to amend The Nursing Homes Act, 1966.

Mr. Ben: Mr. Speaker, the amendment at first hand looks very innocuous, but in fact there were two principles involved in this particular amendment.

One is transferring from the minister to a director the discretion that was formerly vested in the minister to grant or to refuse to grant a licence. With that particular aspect of the bill we do not quarrel. It is setting up a director to carry out these functions and also a board of review.

What we do find deplorable and which has caused us considerable reservations with reference to this field is the principle that is enunciated in section 2 of this particular bill. That is establishing that a director may refuse to issue a licence if the establishment, its maintenance and operation does not serve public necessity and convenience.

It gives him a dangerous exercise of discretion. Who is to say what is public necessity? Who is to say what is convenience? Who is to say what is public convenience? Or who is to say what is public necessity and convenience?

Mr. Deans: The director.

Mr. Ben: The director is going to be the one who is going to say. He is going to have absolute control to decide and who can question his discretion? The courts cannot criticize his decision.

Hon. A. B. R. Lawrence: There is a review board.

Mr. Ben: There is a review board but the law, I think, is pretty well settled that where you grant a discretion you can only upset the discretion if it was not lawfully exercised. You cannot question the discretion.

If the director says, "In my discretion, this is not public necessity. In my discretion this is not public convenience," then that is it.

Hon. A. B. R. Lawrence: The board may substitute its opinion for that of the director.

Mr. Ben: It may substitute its opinion, but not its discretion. This particular aspect does worry me.

I can understand the points contained in subparagraph (d) of 2 of the new section 5 where a licence may be revoked or refused a renewal if, in the opinion of the director, the nursing home is operated in a manner that is prejudicial to the health, safety or welfare of the residents cared for therein. One can say that this is prejudicial to their health, or that is prejudicial to their welfare. But when it comes to public convenience or necessity, this is something that I feel cannot be determined in such a way that the public will be protected.

Should the minister have a right to say, "We do not want a nursing home in area 'A' because we do not think one is needed"? The minister nods his head. I disagree. It is taking away the competitive aspect of it. The minister should get up and say, "We do not want a competitive aspect in it because we are afraid, if competition comes into play, service is going to deteriorate." That is in essence the same as saying that the director and his staff are incapable of maintaining high standards where there is competition. Is the minister going to say in area "A" that we do not want a nursing

home because it is not convenient for the public?

Hon. A. B. R. Lawrence: Not the minister, the director.

Mr. Ben: I am sorry, the director. Is he?

Again the minister nods his head and says, "yes." Well we do not agree with that aspect of it. Perhaps a good place to have a nursing home is where it is not that convenient and then they would get a lot of rest.

The fact is that you are giving a great power to the director, more power than I think he is entitled to. I believe that if a citizen complies with all the requirements of the law, he should obtain permission, a licence to do that which he wants to do. That should be the criterion. I think McRuer himself said that a citizen ought to know what criteria he must satisfy in order to be able to do something. He must know beforehand; it should not be left to the whim of a third person or some official.

So, while we are in agreement with the principle of the appointment or establishment of a director and a board of review, we are not in agreement with the principle that a citizen does not know beforehand all the conditions he must fulfil in order to obtain a licence.

Mr. Ferrier: Mr. Speaker, I think that it is of value to have a director, or one person who is in charge of the whole nursing home procedure, where a person can come and present his case for the opening of a nursing home in a certain area, and where there is an appeal procedure written into the Act. I think in terms of good planning and distribution of these nursing homes throughout the province, that the director must have the authority to refuse if there are more nursing homes in a particular jurisdiction than are needed there to serve the public. I think he also should have the authority to direct nursing homes into those areas which are under-serviced at the present.

When you are dealing with the whole area of free enterprise, and dependent upon individuals investing their money in this kind of an enterprise, it tends to be kind of a hit-and-miss basis, and I would suggest to the minister, if there are not enough individuals who intend to go into this particular industry—if you care to call it that—to make sure that the various areas of the province are adequately served, that provisions be made so that the government or

somebody can see that the slack is taken up and that all areas of the province actually get this facility, because until recently, many of the areas in the northeast were under-serviced and some of them still are; I would feel that there is as much responsibility to see that areas are serviced as to see that other areas are over-serviced.

There has been a delay in certain institutions getting their licences and it could very well be that the minister has been waiting for this particular legislation to go through so that he would have the authority to make sure that there are adequate homes in certain areas and that other areas are not over-serviced.

On the other hand, there is an area in my own part of the province where there have been delays and it is certainly not over-serviced in those particular jurisdictions. I think that the director would have the authority to decide if an applicant has measured up to the various requirements and I would gather that he would also have authority to direct certain procedures or amendments to plans or to homes, that may be done. I also gather that persons can carry on operation of a nursing home if they are licensed under the present time.

I think that by and large this bill will enable the department to set a standard of care across the province and to make sure in a more effective way that that standard of care is adhered to and that homes really do supply the service that is expected of them. My reaction is to support the principle of this bill and to think, in terms of the minister's announced intention to cover the costs of nursing homes under government insurance as of April 1 next year, that this is a necessary step; it is a step forward and will help to facilitate that announced plan.

Mr. Speaker: Is there any other member who wishes to speak to the bill? Does the minister wish to make some remarks?

An hon. member: Not blinded by free enterprise. You have—

Hon. A. B. R. Lawrence: Briefly, Mr. Speaker, with regard to directing I think that we will have an implicit function of directing in the fact that it will happen indirectly. I can quite see that the director, by turning down, if he does, a series of applications in particular locations will be implicitly encouraging, if he does not say it in so many words, the development of other areas. At least the function will work this way and it may well

be that we will be able to avoid direct government intervention in the field.

In so far as delay is concerned, all I can say is that in relation to those applications which are presently pending, I would hope that hon. members will get in touch with my office, if they have people caught in this middle period before we have the legislation in force but subsequent to our decision to move into the nursing care programme. We are being obviously and necessarily quite cautious but from week to week and from day to day we do process through those who are in the system, as it were, although there are certain delays.

With regard to the earlier question raised as to public necessity and convenience, that is a principle with even a form of words found in other statutes, and has been interpreted in a number of other statutes in relation to the offices of a director or of an equivalent, a chairman, a board and a system of appeals. I think it will work and I think the key thing that must not be lost sight of is that to a very great extent, this is the taxpayers' money we are dealing with now. This is just not simple straightforward free enterprise. I would picture that—

Mr. Deans: Nothing simple or straightforward about free enterprise; it is always the taxpayers' money.

Hon. A. B. R. Lawrence: It is not a question of selling boots and shoes, let me put it that way. But here we have the taxpayers' money directly involved in the maintenance of the institutions—

Mr. P. D. Lawlor (Lakeshore): Take a look at Thatcher.

Mr. Deans: He is on his way out I hear!

Hon. A. B. R. Lawrence: —and from that obviously flows the necessity of having an impingement of public policy.

Motion agreed to; second reading of the bill.

Mr. Speaker: Shall this bill be ordered for third reading?

Agreed to.

Clerk of the House: The 25th order, House in committee of supply; Mr. R. D. Rowe in the chair.

ESTIMATES, DEPARTMENT OF MUNICIPAL AFFAIRS

(continued)

On vote 1404:

Mr. Chairman: Any further discussion on vote 1404? The member for Cochrane South.

Mr. W. Ferrier (Cochrane South): Yes, Mr. Chairman, I would just like to ask a question or two of the minister.

There has been a study going on in my particular area concerning the possible amalgamation of some 35 townships. This study has been going on for two or three years and we have been waiting for the reports of that study for some length of time and it seems to be never forthcoming.

The public accountant, the chartered accountant, that has been making this study, was giving us his excuse: that he was not getting co-operation from The Department of Municipal Affairs and he was not able to get the figures about the mining revenue payments. I understand these are now pretty well ready to be, or already have been, published, and I wonder if the minister is able to give us any information as to whether this amalgamation study that is being performed now is going to be made public, or is it something that is going to be shelved indefinitely?

Hon. D. A. Bales (Minister of Municipal Affairs): Mr. Chairman, this study in the member's area is being done by the municipalities themselves, not by this department. We were giving assistance to those municipalities, but at the moment the municipalities have not finalized it or finalized their thinking in reference to that matter. We are here to give assistance to them, but it is not a study directed by us.

Mr. Ferrier: But you have given them every assistance that they have wanted, is that correct?

Hon. Mr. Bales: That is correct.

Mr. Ferrier: This is correct. So that the delay is up there rather than down here.

Hon. Mr. Bales: Well, I would not say necessarily "delay"; they are formulating their thinking on the various problems and it is not finalized yet.

Mr. Ferrier: Well, I would suggest that they would probably formulate their thinking after they had the facts and figures as to

whether the study presented a favourable report to go ahead and do something about it. But I am pleased to know that you have given them what help you can, and the ball is in their court now to do something about it.

Hon. Mr. Bales: We will continue to.

Mr. Chairman, there are two or three things I thought I might clear up before we proceed further with the estimates.

I am sorry the member for Sudbury is not in his seat, but I spoke to him earlier today. He made a reference last night to the assessment of the Inco property in Sudbury to the effect that there is some suggestion in his area that the person who had made the assessment subsequently left the employ of The Department of Municipal Affairs. I would just like to clarify that matter. I looked into it later with the staff, and the installations owned by International Nickel and Falconbridge in the Sudbury area were assessed in 1969 by The Department of Municipal Affairs. The municipalities in the area and the companies agreed that the department would be an impartial body; however, each side reserved the right to appeal if either party disagreed with the department's finding. For that purpose the department retained the services of J. P. Coombe and Associates Ltd., a Toronto-based firm, which has wide experience throughout Canada conducting reassessments for municipalities. This firm provides a service to municipalities only and the principal from the firm who was involved in the work was W. J. Lettner, who is now an area director for The Department of Municipal Affairs, the assessment division, and he looks after Metropolitan Toronto. Mr. Lettner was assisted in that by R. M. Veitch from The Department of Municipal Affairs main office; and Mr. Pecjack from the district assessor's office in Timmins, and Mr. Pelletier from the district assessor's office in North Bay. These gentlemen commenced the work in 1969, completed the work in the fall of that year. None of them has ever been employed by either the International Nickel Company of Canada or Falconbridge Nickel Company. The person, I think, who it may have been thought did the assessment on that matter, was a former employee of International Nickel who went to Prince Edward county as assessor; when the province took over the assessment function that person became an employee of The Department of Municipal Affairs, applied for the position of assessor in Sudbury, went there and subsequently left and is privately em-

ployed in Sudbury. At no time did that individual have anything to do with the assessment of the Inco property.

Mr. E. W. Sopha (Sudbury): I accept that explanation. I want to put on the record two things, that I withdraw any allusion that I made to Mr. Manley; I am glad to hear that he had nothing to do with the assessment at the International Nickel Company. Of course, the assurance that the minister gives today will be welcomed in Sudbury because this is being bruited about. One often hears about this association of Mr. Manley and it is a good thing that the record is finally cleared in respect of it. I leave it with the qualification that however it was done or by whomsoever, it is an astonishing thing that they only came up with \$250 million for the whole of the plant.

Hon. Mr. Bales: Without prolonging this, there are certain parts of that plant, you will appreciate, that are not assessed.

The other matter I wanted to clarify was the one raised by the hon. member for Windsor West (Mr. Peacock); he was speaking about the secondary plan of Windsor last night. I indicated then that both the official plan and the secondary plans would be subject to the provision of section 10 of The Planning Act in regard to public meetings.

I intended to make it clear—and I may not have entirely—that since the secondary plans will not be subject to the minister's approval and will only be adopted by Windsor council, they would not necessarily be subject to the strict provisions of section 10. That would mean that public meetings would not legally be required; but in my view they should be carried out by the municipality. Considering those secondary plans at public meetings I think is a good thing for them to do.

The other point—it was a question raised, I believe, by the hon. member for Timiskaming (Mr. Jackson) in reference to Timagami, and on checking the Hansard I think it is obvious that the hon. member was referring to a proposal by The Department of Lands and Forests to subdivide land for summer-cottage purposes on the south shore of the northeast arm of Lake Timagami, which is near Timagami, I believe, while I understood him to be referring to the government-initiated townsite some four miles north of the original Timagami settlement at Goward. Both of these developments are within the improvement district but there

was some confusion, I think, in our discussion last night as to those two developments.

Mr. D. Jackson (Timiskaming): Mr. Chairman, I agree with the minister, there was confusion; but at the same time I still cannot understand why we have those three developments within that improvement district. They are all separated by four or five miles. We put in a sewage and water system in one area because we could not put it in the other area and yet we continue to allow building in the area where we could not put sewers in the beginning.

Mr. Chairman: The member for Brantford.

Mr. M. Makarchuk (Brantford): Mr. Chairman, I would like to raise the problem of regional government in Brantford. Last year about this time we asked the previous Minister of Municipal Affairs (Mr. McKeough) about whether a regional government study will be instituted in Brantford, and he said it would be instituted in the spring of 1971 following requests from county council as well as city council in that area. Recently, I notice, the current Minister of Municipal Affairs indicated that no such thing is being done or is going to be done, that no action is being taken in this area.

I would like to point out to the minister that with the development that is going on to the south of Brantford—this is the Haldimand-Norfolk area—the Nanticoke area, the steel company plant which will be in operation or will begin operating about 1975, Texaco and a few other industries moving into the area, the development of traffic patterns, the alleged land assembly schemes that are going on around Brantford—I think that perhaps it would be in order at this time to include Brantford in the Haldimand-Norfolk study area. I cannot see how you can isolate or continue to have this development and these studies go on up to the boundary of Brant county when in effect, what will be happening in Haldimand-Norfolk will by and large have some effect on Brant; in fact I would say, a considerable amount of effect on Brant.

The city itself is involved in an expressway. The location of the expressway will by and large be dependent—or its effectiveness as a traffic artery will be dependent on the developing road studies or traffic patterns which would originate in the Haldimand-Norfolk area. Whether there is any connec-

tion with the Haldimand-Norfolk area or not, this is something that nobody locally seems to know. I imagine there may be some of the officials within your department and The Department of Highways who may have an idea. But it leaves the people of Brantford and Brant county hanging in the air wondering what will be happening.

There is also the possibility of reactivating a new rail line going from Brantford that will be going into the Haldimand-Norfolk area. Again, this is before the Board of Transport Commissioners.

But there does not seem to be at the moment, at least to my knowledge or the knowledge of the people living in our area, any kind of a co-ordinated plan for development of that whole area, as to where you are going. I wonder if the minister can at this time enlighten us or give us some indication as to what you are going to do—whether you are going to expand the Haldimand-Norfolk study, or whether you will eventually initiate some kind of study in Brant county, or what are you planning on doing?

Hon. Mr. Bales: Mr. Speaker, there was a request from Brant and from Brantford for a study. My predecessor indicated that it was a case of moneys being allocated for it, or in the budget, and so on.

It is not a dead issue as far as we are concerned. But it is a complicated one, because of the Haldimand-Norfolk situation.

You made the suggestion that perhaps it should be incorporated and the study should be incorporated with that. That may have merit, but it is a matter that is being considered in the department but which is not finalized, particularly recently, because the Haldimand-Norfolk study with Mr. Richardson as the director has been progressing, but it has reached an interim stage.

I am giving consideration to it. recently when I was asked about it by the Leader of the Opposition (Mr. Nixon), I said that no study had been authorized and that was quite true. But it is under consideration and I hope we can resolve the matter fairly soon. My problem is money too, but setting that aside for the moment, I hope we can resolve it as to the best way it might be done.

We certainly have to take into consideration the projected developments on Lake Erie and in the general area and the influence and effect they would have on Brantford and Brant county.

Mr. Makarchuk: Right, that is exactly the basis of my concern, the fact that there is development going there. It will have direct effect on Brantford and at the moment we seem to be out on a limb with really not knowing exactly where we are going.

Of course, there are oblique references in the Haldimand-Norfolk study. In fact, the last publication draws a sort of proposed regional government boundary that does include Brantford, but it is strictly a proposal or possibility.

I would like to stress again that we just cannot let the matter lie at this moment, particularly in view of the rapid pace of development in the area and the size of that development. We must bear in mind that you have a large steel complex, you have a refinery complex—I should say there are two steel complexes—there are other industries planning to move in. There is a Hydro plant that will be going into operation shortly, and consequently this will all have some effect on the total area.

Mr. Chairman: Vote 1404? The member for Niagara Falls.

Mr. G. Bukator (Niagara Falls): Mr. Chairman, I have listened with interest and I suppose every county or every area has a different set of circumstances when it comes to regional government. They tell me Toronto could not be what it is today if there had not been a form of metro government for the 13 cities at that time, I think it was, and townships too. But I am wondering whether the minister and his department have not considered the possibility of regional government of a type that could satisfy certain areas of our province.

I am thinking now of county councils with more authority, or as much authority, as metro councils have today. Why could they not give them more power to administer the affairs of that county on the same basis as regional government is doing today?

I think there are many county councillors and county councils that are held back simply because they do not have the authority and the right to do the things that the regional and metro councils have. Has the minister or his colleagues, or any of his people—I realize he is a new minister in this department, but he has had some municipal experience—ever looked at the possibilities of extending more authority to county councils to give them the same right as the metro councils have to run the affairs of an individual county where it fits?

Hon. Mr. Bales: You have to look at each area; they are all unique. You have to see what is the community of interest in that particular area. I do not think that you should necessarily consider regional government on a county-by-county basis. I think it stretches over a different area.

You have to look at it that way, so that the county form, in some instances, may be the best type of arrangement. It is not always a case of changing it to a new system of regional government, and yet, in some ways, the regional governments resemble county types of government. So, in certain areas, I can foresee that it would be an expanded county, or perhaps a county system updated to meet the challenges that are here today and here for the next 10 years or whatever the future you could foresee.

In other areas I think you have to have an entirely different system to meet the needs, because of the types of development that have taken place there. For example, I could think of other places where you could not leave it on a county basis at all, and yet down further in eastern Ontario I can see areas where you might combine two counties and make it a stronger type government on that same basis.

Mr. Bukator: The point that I am trying to make is that the hon. member from that riding who just spoke before I did, the member for Brantford, noted Brant county is in a position where it can do very little about the problems that it is wrestling with right this day. I would think that here is where the minister could step in with a county system with more authority to do some planning in connection with Norfolk and Haldimand. The problem is that the government creates the problem, such as it did with the Spadina Expressway, then finds itself bottled up. Here is a county that is having a tremendous growth, not only in it but around it, and nothing is being done in connection with the planning.

So I would think that county, with the other two, should have the authority and the assistance financially from the minister's department to get them together at least to do some planning in connection with transportation if nothing else; and yes in planning too! So if the minister is going to wait for another survey, for three or four years, he will have missed the boat again. He finds himself in difficulties simply because the department does not plan ahead.

Again, I do not condemn this minister. I just say that he should catch it now rather than wait for another three or four years and another study, while the problems exist today. I suggest that this minister take a good look at the possibility of giving the county of Brant a little more authority to administer its affairs in connection with the other two and to assist them to plan at least the arteries in the planning for the future. I think this is good. This is what I am asking this minister to take a look at, and look at now, rather than three years from now with another survey.

Hon. Mr. Bales: No, we cannot really do that in that length of time.

Mr. Chairman: Vote 1404; the member for Wentworth.

Mr. I. Deans (Wentworth): Thank you, Mr. Chairman.

I wonder if the minister might be able to give us some kind of a statement in regard to the relationship between regional development, as it is carried out by the regional development areas and regional government, as it will affect the administration of the areas?

It is quite conceivable that we will have a regional development area that will overlap regional governments. In fact, in the Niagara Peninsula it is obvious that it is going to happen; so is it happening in southeastern Ontario.

How do we rationalize the situation where regional development will study the areas with regard to setting a pattern for development for the Province of Ontario, and then set up the regional governments giving them some kind of autonomy which obviously will not grant them, if the government adopts regional development proposals, the autonomy to pursue development in their own way? What is going to be the relationship between regional governments and regional development?

Hon. Mr. Bales: The province must work out the broad guidelines for regional development, the kind of industrial or general development that is to take place. Then the regional governments, or the regional system, must fit in with those broader aspects in the particular areas. But again—and we referred to it last night—it is not just one department, it is not just to simply define land-use, it is transportation, autonomy, and so forth. That must all be done in setting it in a broad aspect for various regions of the province;

and then the regional government comes in underneath that to assist in the actual development according to that general context.

Mr. Deans: Taking a look at the recent Design for Development programme and statements that have come out over the last couple of years, how do you propose that regions that are established in the next two or three years are going to be able to find what the government intends to do, since it is quite obvious that the government has not yet made up its mind how it intends to use the regional development proposals that have been put forward by the study group? How do you hope to be able to bring about some sort of rational approach to planning and development within the regional government units until a point has been reached, or prior to a point being reached when the government of Ontario is prepared to make some definitive statements about regional development?

Obviously, the regions we talk about in regional development are much, much larger than the regions we are talking about in regional government and it is not inconceivable that upon studying an area we could determine that certain kinds of industrial development, and certain kinds of resource development might well take place, all of them taking place outside of any particular regional governmental administration unit. It then makes the official plans that the regional governments are drawing up, of little value.

What is the point of regional governments being charged with the responsibility of drafting official plans prior to the year 1973 or 1974 depending on which regional government it is, only to have the Province of Ontario at that point turn around and say: "We have now established our regional development plan that supersedes the plans that you have put in"?

There is a definite overlapping of responsibility here, and I suggest that they are tugging in two different directions. Unless the government is prepared to make some fairly clear statements about their position in regard to land use and in regard to industrial and economic development, in regard to housing, then the planning that is being done at the regional government level is interim planning and will not be finalized and the money that is being spent right now is money that may well be wasted.

I would ask the minister if there is any sign—I know he cannot tell his cabinet secrets—but if there is any sign of activity in the

government at the moment with regard to the adoption of some kind of guideline for the regional governmental units to use in setting up their official plans so that they know whether they are going to conform with the province's idea of progress.

Hon. Mr. Bales: For example, let us look at the Toronto-centred region.

Mr. Deans: Which has not been adopted.

Hon. Mr. Bales: No.

Mr. Deans: Right.

Hon. Mr. Bales: But just look at it as a general concept.

Mr. Deans: Okay.

Hon. Mr. Bales: Under that concept, we will have to establish population growth potential because you have got to look at it from the standpoint of sewer services and those general facilities. I think when that can be resolved to the point where you can say that this area will have this kind of population growth potential in different sections, then your regional governments can with that information develop their official plans with some certainty in mind as to the kind of development they are going to have to cope with, deal with in the future and then, in turn, work out below that, the actual development for the different areas. I think it will work out fairly well.

I think that in certain sections we may find regional government coming before all of the regional development concepts have been finalized but you are always going to have some conflict—not in every case; you are not going to find them following in order just as you might like. But I think you have to take those things into account and work them out as best you can.

Hopefully you get the concept for the area or the regional development project for the area finalized to a substantial degree and then develop the regional government or change the government necessary to cope with the kind of development that you anticipate.

Mr. Deans: This is fine. The minister would agree that obviously Toronto and Niagara, in fact all of the regional government units that have been set up to date—all that I can think of anyway and almost all of those that are presently under study—will be very much affected by the Toronto-centred region, by the proposal.

Now you are asking each of these units to establish an official plan, by dates varying between December 31, 1972 and December 31, 1974. Each one of those units, having taken the time, spent the money to establish an official plan will then find themselves very much subject to the decisions that are made here at Queen's Park in regard to whether or not we are going to follow the Toronto-centred region concept. Much of the planning that they are doing will obviously not fit in if the Toronto centre is adopted.

Then again, if they were to compensate for that and say that they think it will be adopted, and they were to do their planning based on the presumption that the Toronto-centred region development programme will be adopted by the government and then find that it was not, then that plan would be wasted too. It just seems that all of the official plans—I happen to agree with the establishment of an official plan but as I have said all along I think that you cannot do these kinds of things in isolation—are being done in isolation; one municipality from the next, each region establishing its own plan without consideration for what is going on in the next region, working out the way they would like to see their area developed.

They will submit the plan, the plan will hopefully get approval—perhaps not, depending on how long the government lasts—and the end results of it all will be that all of the plans that are drafted and all of the money that is spent will then become subject to the decisions that are made with regard to regional development. Now surely that is putting the cart before the horse?

Hon. Mr. Bales: But I anticipate regional government here, the regional development here will be finalized fairly soon.

Mr. Deans: What do you consider very soon? The Minister of Labour (Mr. Carton) thinks "very soon" is some time this year. What does this minister think? This year? Before the fall?

Mr. D. A. Paterson (Essex South): Before the end of the session.

Hon. Mr. Bales: During the summer.

Mr. Deans: During the summer? We are going to know some—

Hon. Mr. Bales: I am going on the basis of what my colleague, the Treasurer, said in March, that matters in reference to the Toronto-centred region should be finalized

within six months; so that brings it to September.

Mr. Deans: Assuming then that the Toronto-centred region is finalized within six months, that means that the planning that has been done, we will say in the Niagara region which will be very much affected by changes in the Toronto-centred region, very much affected, may very well not fit in with the concepts that are determined by the government. In addition to that there is all the Design for Development for southern Ontario anyway, there are all of the regional development councils that have made their proposals for development. Even if the government makes its mind up, lays out the programme, decides to adopt the Toronto-centred region either in whole or in part by September, it is sent back to the drawing boards for all of the regional governments, to try to get their plans to fit in, which means at least a year's delay in the restructuring again of an official plan.

Hon. Mr. Bales: Not necessarily!

Mr. Deans: Perhaps it depends on what your decision is; if your decision is to scrap it, then okay; and if your decision is to establish firm guidelines—we have gone through this before. If you recall the proposal that was made, I would guess probably a year or a year and a half ago—maybe it is two years now, I do not recall—of the sort of satellite development proposals for the corridor between Oshawa and Kitchener where there were going to be certain kinds of developments take place; that appears now to have been cancelled out. I forget what that was called. What was that called? That corridor development that they did here?

Hon. Mr. Bales: A Design for Development?

Mr. Deans: A Design for Development, I forget what it was called. But all that seems to have been scrapped. Now anyone who was doing his planning on the idea that that was the concept that the government had in mind, obviously was doing some planning that was not going to be relevant, because the latest proposals are entirely different.

I suggest that a lot of what has gone on in the past is being wasted simply because of procrastination by the government. You have got to come down very firmly and you have got to do it quickly. There is no point in spending money on these other functions until you are ready to establish the basic

guidelines. That is why you have moved in great haste in some areas and in some other areas dragged your feet.

In the areas where it was most needed in tax reform and in definite economic guidelines you have done very little for municipal reform, and to restructure the municipal boundaries is not nearly good enough. You have created a situation that is worse than the one they had before.

Mr. Chairman: The member for Waterloo North.

Mr. E. R. Good (Waterloo North): Mr. Chairman, under this vote there are several things I would like to speak about. First, under the municipal organization of administration section, I had a section in my Throne Speech this spring dealing with this. I would just like to read one sentence from it:

In my view the two major concerns of the proposed municipal reform should be, first, the development of local government management structure which will have the capacity and would be given the power to adopt and innovate, rather than the capacity to function under stable and fixed straitjacket control from Queen's Park.

To pursue that principle just a little further, I would like to ask the minister a few questions as to what is being done, what could be done or what, in his view, he thinks should be done to change the municipal organization structure to adapt better to the increased pressure and functions that are going to be placed on it with the formation of regional government. The regional government will be a considerably different form of animal from our local municipal government and this has shown up in the few short years that they have been in existence.

If we are going to hope to have such things as the functions and powers of special purpose bodies put back into the hands of elected representatives, I ask the question, are the present organizations—and I talk of both the administrative section and the elected section of municipal administrations—capable of handling these functions? One wonders whether or not these authorities were given to many boards and commissions over the years for the reason that municipal councils were unable or did not care to handle this authority.

Now I think everyone from Jones down to Fyfe has agreed with the principle that some of this delegated power must be brought back to the hands of elected representatives. We had a bill before us recently whereby the city of Guelph, I think, in private legislation wanted to bring powers

which had been delegated to boards and commissions back under a committee of council, which in my view is where much of this power belongs.

I ask the question, what does the minister recommend will be required either to strengthen or to restructure both the administrative staff and the elected officials in municipal governments so that they can indeed take on the increased responsibilities which are being thrust upon them by regional governments, and which will be thrust upon them if we are going to accomplish this principle of returning to elected officials the powers which now lie in the hands of appointed boards and commissions.

If the minister will reply to this point, I will proceed later.

Mr. Chairman: Does the minister care to reply to this? The member for Waterloo North then.

Mr. Good: This is the frustrating part of this job!

Secondly, I would like to say that my experience has shown that many municipalities are quite satisfied and content with the help they are now getting under the municipal finance department of The Department of Municipal Affairs.

To be fair, I think it is only right that I suggest that the various municipalities with whom I have spoken have said that help is always forthcoming from that particular section of the minister's department. Since there have been changes in our Act last year which allows municipalities some better leeway in the issuing of their debentures, as to the types and kinds of debentures they can issue, I think that part is being quite well looked after.

There is, however, one other principle in this: Whether or not each municipality of more than 20,000 in the province should have to pledge its own credit on each of its own debentures. I know it can be argued both ways, but some people definitely feel the credit of the province borrowing as one unit for the many municipalities might have some advantage. On the other hand, the competitive spirit among municipalities, which gives some municipalities a better borrowing position than others—and this is very considerable; I think one to one and a half per cent between the municipalities of equal size just on their relative ability to handle their affairs—that is the advantage on the other side. I do not know if

the province or the department has made any consideration of this point or studied it or not.

To continue to deal with the municipal organization and administration section, I would like to ask the minister about the amount of transfer payments to the regional governments of Muskoka, \$25,000; York, \$1 million; and Niagara, \$275,000. I take it these items are in the budget over and above payments that will be made under The Regional Municipal Grants Act. Is that correct?

Hon. Mr. Bales: That is correct.

Mr. Good: And could I have a résumé of the purpose of these payments?

Hon. Mr. Bales: Let us deal with Muskoka first of all. There is \$25,000 there, which is to assist in the planning.

Mr. Good: Mr. Chairman, is that the amount that was included in the Muskoka bill or would this be over and above what was in the—

Hon. Mr. Bales: The \$25,000 in the budget is to assist them in the municipal building. They did not have any building up there at all.

Mr. Good: So that would be in addition to the \$50,000 planning grant, the \$50,000 administrative grant and the \$100,000 pollution control grant, is that correct?

Hon. Mr. Bales: Yes.

Mr. Good: Fine. Now the other municipalities, please!

Hon. Mr. Bales: In the case of Niagara there are additional moneys set aside for the police communication system. In York there was the Toronto and York suburban road system; the \$1 million set aside there is for roads. We took up the Metropolitan Toronto part for the first three years. In Niagara we will assume \$75,000—we have dealt with that; well, that covers the items.

Mr. Good: Thank you, Mr. Chairman. Then the Niagara region would still be eligible for the \$1.50 per capita grant for the operation of the regional police force, is that correct?

Hon. Mr. Bales: That is right. This is capital expenditure.

Mr. Good: And how did that amount come about being paid? How did you get to this amount as being required?

Hon. Mr. Bales: Well, it is put in the budget as an estimated amount to be paid; it is the amount which was felt to be required from the province to help them in establishing that police system. The police system only came into effect this year.

Mr. Good: And were these amounts arrived at by negotiation with the municipalities involved, or were they decisions?

Hon. Mr. Bales: They were agreed upon as to what would be a reasonable sum for these purposes and were dealt with individually.

Mr. C. G. Pilkey (Oshawa): It is an arbitrary figure.

Mr. Chairman: Order. Anything further under vote 1404?

Mr. Good: Yes, I would like to speak on the municipal research section, the last part of item 6. Here I would like to make some comments about the government's proposal for the regional government in my own area, the county of Waterloo. At the time I felt it was lacking in great detail and worked on the assumption that the government legislation, if and when it comes, would in fact, be no different from that proposed in the other regional government areas of the province of Ontario. As yet I still have no reason to believe that the legislation would differ in many matters. So, we find, then, that in the opinion of people in the area, and especially in the opinion of some of the councils in the smaller centres, there still seems to be a lack of information after over three months time, which has elapsed since the proposal was first given to the present time.

I know it has been the practice of this government, after a government proposal has been given, to deal almost exclusively with the members of the intermunicipal committee in the area. I personally feel that part of the difficulty, if not all of it, results from this practice in that many of the municipalities feel they are left out of the dialogue. I know the minister has said we want submissions from them; but, as an example, I would like to take the town of Elmira.

When the submission was made on March 16—I believe it was—in the Kitchener-Waterloo Collegiate, it was some few weeks after that that the town of Elmira submitted a list

of questions to the minister which in its mind was valid and expressed genuine concern as to how this proposal was going to affect it. The date of that was April 1.

The report in the local press stated that around the middle of May Elmira had not heard from the minister. Concern over these 15 or 20 questions was becoming greater and greater, so finally the council just said, "We have not heard from the minister, so we will just draw our own conclusions." It went on record as being very much opposed to the proposal that was presented.

This, I feel, is very regrettable simply because of lack of information the council went on record as being opposed to the proposal. The proposal was that the town of about 5,000 people should be included with the township of Woolwich and have added to it part of the township of Waterloo.

This, then, became quite a local issue, which it still is. To be fair I must say that eventually, sometime after the middle of May, around June 1, the town did receive—maybe it was toward the end of May—a three-page answer from the minister that his department had worked out a general résumé of the principles of regional government without actually answering its specifically detailed 20 questions.

I personally feel that, if someone from the department had taken the time to go up there and sit down with the council of the town of Elmira and talk to them and explain to them exactly how their grant structure would be changed and how the ratable equalized assessment of that area would affect their levies from the regional government in comparison to the others, that a lot of their problems could have been—would have vanished right then and there.

But no one came near them so, consequently in their frustration they decided: "We will prepare our brief, send it to the minister and oppose his plans, because we do not understand them. There are 20 questions here we would like to have answered, and we have not had them answered."

To follow this thought through, I think part of the reason that explanation in more detail has not gone out to the municipalities is—first of all my own research shows me that the department does not have some of the information that these municipalities would like to have.

The two greatest concerns of people in any area that are going through a restructuring of municipal government are, first of all the

financing and the cost involved; and secondly the boundary changes.

I am the first to admit that perhaps in the long run these—

Hon. Mr. Bales: The hon. member means boundary changes first and then the financing.

Mr. Good: Pardon? All right. They are of equal importance. I am the first to admit that this should not be the case. In the long run they may not be the most important factors, but changing one's environment and his municipal boundaries is a very emotional experience.

Everyone has within him a reptilian instinct to protect his boundaries, his own little back corner in his backyard and he hates to see someone from somewhere else saying, "we think this boundary should be changed thus and so."

Had the minister's proposal said: "All right, we are going to leave this little township of Ayr with only 3,000 people as one lower tiered municipality because—"and had given a list of good valid reasons why, which it could have justified, then I would think you would not have the criticism on that.

Had you said: "We are going to include the town of Elmira with the township of Woolwich and part of Waterloo township because of the following reasons—"and given the reasons, I think you would have had half your battle won.

But the generalities in the government proposal as given in the area on March 16 were not understood. The implications of them are still not understood not just by the man in the street, but the councils of the small municipalities.

I grant you, Mr. Chairman, and I grant the minister, the fact that the intermunicipal committee is working very hard. They have set up three subcommittees, one on finance, one on administration and one on planning, and these committees are doing a fantastic job on researching and getting the information for the municipal committee, and I think the intermunicipal committee and the administrative committee, the three of them, are going to have a very good knowledge and a good grasp of what is going on.

But the small township councils—the town of New Hamburg, the town of Elmira—whose boundaries are being radically changed are the ones that are suffering the most frustration at the present time.

The city of Kitchener can well argue its case. It is big enough. They can have your research director understand that there have been mistakes made in hemming them in so closely and undoubtedly you will have to give them more area. They have a big enough population to make their voice heard. And it seems to get anywhere at Queen's Park you have to carry a big stick or no one even listens or pays any attention to you.

I think, Mr. Chairman, it is not too late for this department to get out into the field and forget about the fact it is only working with the municipal committee. There are almost 250,000 people in the area; the municipal committee is composed of eight or 10 elected representatives, but the inter-municipal committee is composed of eight or 10 elected representatives, plus the three administrative committees.

So get out and tell these people how they will be affected. Tell the people in Elmira and New Hamburg how they will be affected by the density grants under The Municipal Regional Grants Act. Tell the people in Galt, Preston and Hespeler whether or not they will get that density grant.

I rather suspect from the speech made by the research director it will apply to that area, which seems strange to me, and will not apply to either of the cities or the larger municipalities in the northern part of the county. But I do not think they can tell people that because they have not done the research sufficiently to, first of all, give a detailed rate of equalized assessment of each of the new proposed areas so that the levies can be ascertained; nor have they done a study of the amount of acreage in the new proposed areas so that the application of the density grant can be ascertained.

At least they had not the last time I spoke to them. I think if you got some detailed information out to these people and gave them valid reasons why they are doing this and that, you would find that when you finally do say, "This is what we are going to do," you would not have nearly the objections you will have, and have had up to the present time.

That is all on that item.

Mr. Chairman: Anything further on vote 1404? The member for Riverdale.

Mr. J. Renwick (Riverdale): Mr. Chairman, if my memory serves me rightly, the OMERS report just arrived on our desk yesterday and it would appear to me to be

appropriate to raise two questions under this vote on the OMERS report. Is this the appropriate place for that?

Mr. Chairman: Could the minister guide us?

Hon. Mr. Bales: The OMERS report does not really fall within the estimates of the department but I suggest that at the conclusion of my estimates I would be glad through one of the officials here to try to answer questions, particularly on OMERS. We will do it at the end of the votes if that is agreeable.

Mr. Chairman: The member for Niagara Falls.

Mr. Bukator: Mr. Chairman, in view of the figures that were quoted here in connection with grants given to the regional municipalities, if my memory serves me correctly in connection with the police department, they did receive \$350,000 to set up communications—or that last figure that I heard mentioned here, \$270,000; or is it the two figures that they have received?

Hon. Mr. Bales: Well \$350,000 is the correct figure; \$75,000 of it was paid last year; \$275,000 is being paid out of this fiscal year. That brings it to the total of \$350,000.

Mr. Bukator: Then to put the record straight, \$75,000 of the \$350,000 was paid last year?

Hon. Mr. Bales: That is correct. It was in last year's budget.

Mr. Bukator: That is \$275,000, the balance of the payment; and was that paid or is that in the estimates to be paid?

Hon. Mr. Bales: It is in the estimates to be paid.

Mr. Chairman: Vote 1404 then? The member for Oshawa.

Mr. Pilkey: Mr. Chairman, I would like to ask the minister, relative to the Oshawa Area Planning and Development Study, had he any conversation or dialogue with Mr. Ted Simms in relationship to that regional government study to date?

Hon. Mr. Bales: Yes, I had a meeting with Mr. Simms. I cannot give the member the exact date. It was prior to the decision of the municipalities there to terminate the

study. Since then—and I have not got the letter here, but I have written to Mr. Simms, through him to the municipalities, suggesting some further participation on this matter. I wrote to him about June 10 or 11—

Mr. Pilkey: Does the minister plan in any way to reconvene the committee that were responsible for the direction, the executive committee that were responsible for the direction of the OAPAD study?

Hon. Mr. Bales: No.

Mr. Pilkey: Then could I ask the minister what does the government intend to do as a result of the termination of the OAPAD study?

Mr. Deans: Nothing!

Hon. Mr. Bales: I think the study—the organization was developed there and they decided to terminate it. I am not going to suggest some new form of that old system, I think a better proposal—and that is what I have done—is to invite the various interested parties to prepare their views on the matter and to present them to me. Then from that—because there is a diversity of views down there; Whitby has one view, Oshawa has a different view entirely as you read the reports. I want to have their views and I have asked Mr. Simms, and through him to the municipalities, for their views on just what would be the best means or best suggestion to continue with the matter. From that and with our own views we will develop a new proposal or a new approach.

Mr. Pilkey: Then I take, from what the minister says, even though the OAPAD study has been terminated, that the government is going to continue in some form to initiate the proposition that regional government will be implemented at some point in time in that area. Is that a fair statement?

Hon. Mr. Bales: Yes it is. While the actual study may be terminated, a great deal of work has been done. Work which will be useful for the ultimate decision-making, as to what type of government should pertain in that area, and perhaps to help us decide the area itself. Within Ontario county there is a good deal of opposition, particularly in the north to the area and to the region that might be included, and I think we have to take those kinds of things into account in taking what is really a good second look at the situation.

Mr. Pilkey: Has the minister set any time limits in terms of initiating any meetings with the contiguous municipalities that will be involved in future determination of regional government in that area?

Hon. Mr. Bales: I wrote to Mr. Simms about a week ago—a little more than a week ago. You have to give a reasonable time for them to make their suggestions to me; I hope they do that within the month.

Mr. Pilkey: In about a month?

Hon. Mr. Bales: I hope within a month.

Mr. Pilkey: Within a month?

Hon. Mr. Bales: Yes, I have not set a time limit on them, but I would hope they would do it within a month.

I know that there is a suggestion, for example, of a meeting, at the instigation of Whitby, on June 30. Now what will come of that meeting I do not know, but I would think that following that I might receive news from the various municipalities.

Mr. Pilkey: With great respect Mr. Minister, I understand that Oshawa has opted out of that meeting; the mayor and council have indicated they will not participate in the meeting and I understand—I only have this by rumour—that there may be other municipalities that will not participate, either. Which means without Oshawa participating it really will only be a charade and will be meaningless in my view.

In respect to the reasons for terminating the OAPAD study, I sensed from the participating municipalities that voted to terminate the study that the difficulties were finding out from the provincial government the types of incentives that might be available to those municipalities. And I am wondering if the government, if the minister, could tell us if they have considered letting the municipalities know, within that study area, what type of incentive programme the government has come up with that would be beneficial to the area municipalities and might be the very vehicle that gets this study back on the rails again. Is there any programme for incentives for that area?

Hon. Mr. Bales: Well the studies that were completed under OAPAD will help in the refinement of the Toronto-centred region concepts which will have an effect on that particular area. The Toronto-centered region, I think, has talked a great deal about that matter but I think it is extremely im-

portant not only to this Metropolitan Toronto area but to the areas to the west and particularly to the east of Toronto in trying to resolve some of the difficulties. The information gained through the OAPADS study will certainly be used and be of assistance there.

Now a few moments ago I said I hoped that they would reply within a month from my letter to Mr. Simms. I think in that letter I did indicate a longer time if necessary, but I would hope that they would act fairly promptly on it. It had gone for some period of time and I set the longer period as an outside limit for them to reply, but I had hoped to hear from them fairly soon.

Mr. Pilkey: As I said, I think the study broke down as a result of the government not providing the incentives that they indicated. Apparently someone in the government—obviously not you, Mr. Minister, because you were not in that portfolio at the time—but someone indicated to the executive committee, as I understand it, of OAPADS, at some point during the study that the government would indicate the kind of incentives that would be applicable to that region. As a result of these incentives not being presented by the provincial government, this was the reason given by a number of municipalities for voting for the termination because, in other words, had they adopted the recommendations for regional government, not knowing what the incentives might be from the provincial government, they felt that they were buying something without knowing what the full ramifications of regional government might be in that area.

My question to the government is: Is it defining any specific incentives to that Oshawa area planning study region? That is my question.

Hon. Mr. Bales: That will come with the refinement of the Toronto-centred region concept, but there are other reasons for the breakdown as well. I am sure the hon. member realizes that. Some of the areas there could not agree in reference to the Paterson proposals. While there may have been a stated reason, I think the members of the study group and others recognize there were other reasons as well. Certainly the incentives part—yes, it was part of it—but there were impatience and frustration, perhaps, that the Toronto centred region concept had not been refined and finalized earlier than it has been. I recognize that caused them some difficulty, but there were a variety of reasons.

Mr. Pilkey: With great respect, Mr. Minister, I also think that areas that are coming under study, as was the Oshawa area, are becoming somewhat more sophisticated as the result of you applying regional governments in other areas.

Hon. Mr. Bales: They see what has happened.

Mr. Pilkey: The implication of that being that they are looking at this region and seeing how it affects the area where regional government has been formed. As I say, they are becoming somewhat more sophisticated, and it is my view that future regions that may come about as the result of the area municipalities being part of the decision-making process are going to want to know more of what the government is prepared to do in terms of assisting in the financing of the various regions. I happen to think that the government is going to have to become somewhat more sophisticated themselves in applying provincial money to the various regional governments that may come about in the future.

Has the government taken or given recognition to the fact that to date they have not applied adequate resources to the regional governments so that they do get a decent start, as far as the region is concerned? I want to suggest to you that in the regions that have come into being, the amount of money this government has applied to those regions has been rather niggardly in my view, and I just want to know if the government has made any assessment of its future plans to provide regional government with adequate resources as it goes into a new restructuring and a new concept of municipal government?

Mr. Bukator: I am glad you are making that argument. You are a little late, but it is a good argument. You should have done that when we debated Bill 174. You did not support me at that time.

Mr. Pilkey: Yes, well we did. If you check the record, you will find out that I did.

Mr. R. F. Nixon (Leader of the Opposition): You voted for it.

Some hon. members: You voted for it.

Mr. Pilkey: Just find out! Check the record; check Hansard!

Mr. Deans: We made all of the arguments.

Mr. Pilkey: Check Hansard, I am telling you. Check Hansard!

Mr. Nixon: You voted for it.

Mr. Chairman: Order, please! The member for York Centre has the floor.

Mr. Pilkey: Has the minister any response to that?

Mr. Chairman: Does the minister have a reply?

Mr. Pilkey: Do not listen to that rabble over there.

Mr. Deans: No one else does, why should you?

Hon. Mr. Bales: I do not agree that the government has been niggardly in setting up any of these regional governments in the way of financing but, on the other hand, in the past week—

Mr. J. B. Trotter (Parkdale): What about St. Catharines?

Hon. Mr. Bales:—a group within my own department has been assessing the existing regional governments to see what other assistance might be necessary. This is being done carefully in Niagara; it is being done in York and has been done in Ottawa-Carleton and so on. Yes, these are the things; I think you have to look at them on an on-going basis, as I said before, not simply to establish a regional government and say that is fine, it is established and that is the end of our responsibility.

We have a continuing responsibility for those governments as the government has had with Metropolitan Toronto. I do not say that it is necessary to change all of the financing arrangements that have been made in the beginning, but I think you have to look at them on an on-going basis and see what additional help they may need from time to time.

Mr. Pilkey: Could the minister expand on a statement he made someplace regarding regional governments—if I am misquoting, he can correct me. The minister said somewhere that regional governments are in difficulty as a result of their abnormal spending in the municipalities, or something like that.

Hon. Mr. Bales: I did not say they were in difficulty because—

Mr. Pilkey: Is that why the minister made that statement?

Hon. Mr. Bales: I said that in some cases regional governments have tended, and area government within a region has had a tendency, to attempt to do too much too soon. As a result, their budgets have been substantially higher than they necessarily needed to be. Sometimes they have tried to provide services that were out of line with what they should have been attempting to do at that point of time.

Mr. Pilkey: The minister would not say, then, that some of these costs have become abnormal, as a result of the provincial government opting out and not making any adequate resources available?

Hon. Mr. Bales: No, no!

Mr. Pilkey: That was not the reason?

Well I have one other question I would like to ask the minister—two actually.

I understand it was raised earlier and I apologize for not being here. Has the problem with the city of St. Catharines—its presentation—been amicably resolved by the government? I understand that the minister met with the officials of that municipality and I wondered if the financial difficulty has been worked out?

Hon. Mr. Bales: Members of my staff have been meeting with a number of the individual municipalities in the Niagara region. There was a meeting with a group from St. Catharines, the mayor and some of his elected officials, in my office a week or ten days ago, going over their budget, for example.

As I stated in the House last night in reply to a question from the hon. member for Niagara Falls, the St. Catharines school board budget went down by 14 mills and the general rate went up by two mills or thereabouts, so there is a general reduction. I think they appreciated the assistance we could give them. We have to resolve certain matters with the Niagara regional government before all things are straightened out there.

Mr. Pilkey: Well, I want to read a statement that was made in 1968 by the then Minister of Municipal Affairs in this Legislature. He said:

The fourth subject I wish to refer to respecting our concept of regional government is representation. The new regional government councils will be the most important policy-making bodies in local government. Indeed, second only to this House, there is no doubt in my mind that the only acceptable principle today is representation by population.

Very frankly, Mr. Chairman, the regional governments that have been implemented up to now have not really carried through with that philosophy. The representation by population on regional councils is somewhat out of focus. The question I want to put to the minister is, is it going to be the policy of this government in future regions to guarantee that we have regional governments represented by the population that happens to reside in the various municipalities and townships in the region?

Hon. Mr. Bales: The member has got to take into account the local situation, because some regional governments will cover a very rural section as well as an urban section. We have always recognized that those who represent an urban area represent more people in numbers than the rural sections do. I looked at the Niagara regional representation recently and, on a population basis, there are some differences in different areas, but there seems to be a relatively fair basis.

But, certainly, when we are dealing with the Sudbury one and the Waterloo one we have endeavoured to look at them on a relatively fair basis, taking into account the different sections and the types of municipalities that would be incorporated within the region.

Mr. Pilkey: Well with great respect, Mr. Chairman, again to the minister, this was one of the points that was made by the St. Catharines' representatives and it was one of the points that the members from Oshawa to the OAPAD study were making as well, that the recommendations that were made through that study would not provide "rep" by "pop".

I might also say that the former Minister of Municipal Affairs, although he did not carry it out as reasonably well as I think he should have, did make the point, and he said also, in 1968, in this Legislature:

I accept the validity of the argument that rural ridings, with fewer voters than urban ridings, must be assured of adequate representation. However, I must emphasize that in our regional government system we will place a high priority on a system of representation giving all residents a reasonable, equal voice in regional decisions.

What he was merely implying was that they would get adequate representation but, in fact, it would be representation by population. I think that this is the only fair

and adequate way that any new regions can be administered. Surely, we have gone by the time in which a rural voter equalled three to one in an urban area.

Now, we may be able to perpetuate that for a little while yet at the provincial government level and make the rural votes somewhat more important, but surely we have got to give recognition to the fast-growing urban centres of this province and give them the kind of representation that is necessary in every form.

I want to urge upon this minister that, in future implementation of regional government of this province, the representation be by population and that the larger urban areas be given a fair and equitable representation on those councils.

Mr. Good: Mr. Chairman, on that point, I would just like to put on the record the number of voters that each councillor under our government proposal in the new Waterloo region will represent. Kitchener, 12,111; Waterloo, 11,666; Wilmot, 5,000; Wellesley, 6,000; Woolwich Waterloo, 4,666; Galt, Preston and Hespeler, 12,500 and North Dumries, 3,000.

Mr. Pilkey: Sure, some of them four to one. Three to one, four to one as opposed to the urban resident.

Mr. Chairman: Is this on exactly that point? The member for York Centre was wanting to speak.

Mr. Bukator: Yes, on this point, the point of representation by population, the minister went on to say that:

I accept the validity of the argument that rural ridings, with fewer voters than urban ridings must be assured of adequate representation. However, I must emphasize that in our regional government system we will place a high priority on a system of representation giving all residents a reasonable, equal voice in regional decisions.

And that was the minister's statement at that time.

Now, St. Catharines submitted this to you and I know you have these figures, but I think they bear entering into the record and I will read a small portion of this report.

In the minister's presentation of January 23, 1969, the representation per poll for the regional council was as shown on schedule (A) attached. It is noted that the council consisted of 24, including the chairman, and

allowed six to represent St. Catharines or 25 per cent, against the population of 31 per cent. At a later date the council was increased to 28 per cent. As a result of the addition of the number to each of the towns of Thorold, Grimsby, Lincoln and Niagara-on-the-Lake this further reduced the St. Catharines representation to 21 per cent.

Now, let me go on and show you—I will read a little more to you and then I will complete my remarks on this particular vote. The city council at that time strongly voiced opposition to this iniquity and a delegation of council met with the minister to make representation to correct action. No corrective action was forthcoming, and it was difficult to reconcile this decision, which was a clear contradiction of the government's own statements of policy. Now then, to talk about the financial portion of this, I will read a small portion about the inadequacy, because this is where it affects the taxpayers of St. Catharines:

The government has learned a lesson as a result of the disastrous effect of the implementation of the county units of education, and in this case provided for a phase-in period.

Now you did that on schools and I think there should be provision made for the other taxation of the municipality, because St. Catharines is carrying the burden.

The funds to provide for the transitional adjustment are taken from the municipalities in the region and redistributed. St. Catharines is required—

and here is the rub—

St. Catharines is required to contribute a total of \$416,000; an amount of \$122,000 is returned and applied to assist that area presently within the city limits and formerly within the township of Louth. This leaves a balance of \$294,000 that is distributed to other municipalities in the region.

This application has the effect of placing a double penalty on the taxpayers of St. Catharines. City council has made strong representation to the government requiring that funds for this transition period be provided from the provincial treasury.

That comes back to my argument of away back when I said if you are going to impose this kind of statute or law on the people of that area, then you must pick up the tab for the added costs. This is the argument on

which St. Catharines has based its representation to you.

Now the minister was good enough to say to me yesterday that his department has had a meeting with them and they have discussed the problem and things are not quite as bad. But I can assure you that nothing will compensate for the dollars it is costing their people to help implement some of your statutes; this is where there is an injustice by this provincial legislation.

Mr. Chairman: The hon. member for York Centre.

Mr. D. M. Deacon (York Centre): Mr. Chairman, a little while ago the question was raised about the assistance the province has given to regional governments. I am very pleased with the assistance that has been given to the new regional government in York.

Despite a tremendous change from a \$6 million county budget to an \$18-million regional budget, the fact is that the net burden on the property taxpayer may be down this year as a result of the higher grants. But what is concerning people is what is the total impact on them as taxpayers.

The province has undertaken an extensive study on the cost benefit of what values we are getting from government, and I believe that under this vote I would like to hear what the minister is doing within The Department of Municipal Affairs to produce figures that will show the people of York, for example, how much value they are getting for the extra dollars that are being spent.

Maybe there is a change in dollars now being spent in the regional municipality that were formerly spent by the area municipalities, but it is important that the department assists new regional governments in showing to their citizens the improved value, if any, they are getting as a result of the reorganization of local government. It is not sufficient for us, just by means of our grants, to cover up inefficiencies, or extra and unnecessary costs of administration that are being imposed upon us. It is the total impact on our tax bill, both property tax and provincial taxes, that must be of concern to us. I ask the minister to advise me what is being done to assist citizens in these new regional municipalities to understand the value they are now getting, be it improved or otherwise, and to be in a position to compare the value they are now getting as a result of the reorganization of government.

Hon. Mr. Bales: Mr. Chairman, what the hon. member is really asking is what are we doing to communicate with the people.

Mr. Deacon: No; what are you doing to provide a cost-benefit analysis, comparative figures that will show the councillors, citizens, everyone the results they are now getting as compared to what they had before?

Hon. Mr. Bales: Well you are asking us to communicate. I think it is the regional government that must do that on its own with the people.

Mr. Deacon: Not communicate. I said analyze and show how people—the figures are there—will communicate. It is the accounting—

Hon. Mr. Bales: It is up to the municipality itself to convey the full story to the municipalities. But there is a good deal of assistance going to the region from the province, particularly in areas to give them assistance for particular items. In York—I referred to it a few moments ago—you have the Toronto and York regional roads system. The province has taken over, for example, that kind of obligation. And in the budget this year, in the estimates, there is the sum of \$1 million for that, and that will continue for the next three years. With reference to planning we require an official plan to be developed for that area.

Mr. Deacon: Excuse me, Mr. Chairman, the minister is missing the point entirely. I am not talking about the grants. I have said initially in my remarks that I agree the grants have been generous and they have enabled us to come through with a net property tax that is lower this year I believe than it was last. What I am asking the minister to detail is what assistance or what work is being done under this vote to show a cost-benefit analysis so that we understand the value we are getting as a result of the moneys that are being spent at the local level. Let us get the measurement of efficiency, the benefits.

This is the type of programme that the provincial government is instituting at the Treasurer's level for our own provincial departments. Surely the minister can tell us something of what he has been doing to assist local government to derive or determine the value or the benefits that they are getting for the dollars spent, and any improvements they are making in their local government expenditures?

Hon. Mr. Bales: Mr. Chairman, if I could continue on this, this regional government was established as of January 1 this year, so it is difficult to have a comparative analysis. As I mentioned in the House yesterday, I have established a committee with the chairman of Metro Toronto and the chairman of York region so that they can work out their problems together.

More than that, within my own department I have a group which works with the different regions and looks at the budgets of the areas within the regions, because we want to see what is happening when the region takes over certain services which normally were performed and paid for by the area municipalities, what is happening to the budget, then, when you relieve them of that financial responsibility.

We do not have all of the budgets in from the different regions as yet. The budget for the region itself has been presented but it is now being refined in certain areas where we have asked questions, and it is that kind of situation I think that will be of greatest assistance to them. We must be sure that they are not building into the budget the

same amount of dollars just to carry out extra projects when they should be saving certain moneys, because moneys are being paid by the region on their behalf.

This kind of programme takes a period of time and we are going to need a comparative basis to really be effective with it, but we had to start in this first year looking at their budgets and looking at them carefully.

Mr. Deacon: Mr. Chairman, I just want to say I have one final comment here. I am very disappointed with the minister in his reply. He has failed to let us know anything that the department is doing to give a proper analysis in cost-benefit results to municipalities. A very real disappointment.

Mr. Chairman: Does the member for Wentworth have just a brief comment we can get in before 6 o'clock?

Mr. V. M. Singer (Downsview): No, no—it being 6 of the clock we do now leave the chair.

It being 6 of the clock the House took recess.

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ONTARIO

Legislature of Ontario Debates

OFFICIAL REPORT — DAILY EDITION

Fourth Session of the Twenty-Eighth Legislature

Tuesday, June 22, 1971
Evening Session

Speaker: Honourable Fred McIntosh Cass, Q.C.

Clerk: Roderick Lewis, Q.C.

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THE PRINCE OF WALES

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LEGISLATIVE ASSEMBLY OF ONTARIO

TUESDAY, JUNE 22, 1971

The House resumed at 8 o'clock, p.m.

ESTIMATES, DEPARTMENT OF MUNICIPAL AFFAIRS (concluded)

On vote 1404:

Mr. Chairman: We are on vote 1404. Are there any further discussions? The member for Timiskaming.

Mr. D. Jackson (Timiskaming): Mr. Chairman, we have no quorum.

Mr. V. M. Singer (Downsview): We are just starting.

Mr. Chairman: The member for Timiskaming.

Mr. Jackson: Mr. Chairman, we have no quorum.

Hon. D. A. Bales (Minister of Municipal Affairs): Would some of these gentlemen like to get in their seats? We could use them.

Mr. Chairman: Ring the bells.

An hon. member: Mr. Chairman, there are 13 members present.

Mr. Chairman: We now have a quorum. The member for Timiskaming was on his feet. Did he intend to speak on this topic? No? All right. The member for Wentworth.

Mr. I. Deans (Wentworth): Yes, thank you, Mr. Chairman. I want to ask the minister about the York region; it is the last thing I want to discuss on regional government. There have been some problems in York over the hydro commission, the boundaries, the distribution of assets, plus the fact that there has not been elections.

Elections were due in some of the areas. It was in Richmond Hill, I think—perhaps it was in Vaughan. There were elections due in the fall of last year which did not take place because of the bill and they are now due.

Did the minister meet with representatives of the York region to discuss the situation as regards to hydro commissioners, the distribution of assets and liabilities, the settlement of assets and liabilities, the realigning of the hydro commission boundaries for Richmond Hill and Vaughan township? I seem to recall that there was a commitment from the minister to have the matter settled by June 1, 1971.

Hon. Mr. Bales: By me?

Mr. Deans: The minister at the moment—the minister is the minister, whether it is this minister or whether it is the other fellow over there. Can the minister tell me what the situation now is with regard to the hydro commission, the boundaries, the settlement of assets and liabilities in the York regional government area?

Hon. Mr. Bales: I had a meeting scheduled a month ago, but they could not keep the appointment. I had it last week involving the representatives of the hydro commission and the Hydro staff in York, and at that time they made submissions to me that hopefully the present commissions would remain for a period of time rather than establishing a York Regional Hydro Commission. They made a very strong representation on maintaining local commissions. That is under consideration, and I certainly want to take into account the brief they gave me on that matter. But eventually we will have to resolve the problem of the hydro commission in that area, and my own feeling is that it should be a regional hydro commission.

Mr. Deans: Am I correct in assuming that it was intended that some of the areas would be having elections last November or December, and that because of the change in the bill they did not? I can recall, in fact, in speaking with the minister in the House during the debate on the York regional government bill that there was an amendment finally brought into the bill to change the method of election, and it seems to me that we have not yet had the elections in

some of the areas. And there has not been a realignment of the commission boundaries to bring them into line with the municipal boundaries that were realigned. This is correct?

Hon. Mr. Bales: That is correct. That part is correct.

Mr. Deans: This is correct. Could the minister then indicate for how long he intends to allow the existing commissioners to sit in their office without having an election?

Hon. Mr. Bales: I think that there is a very limited number, maybe two of the commissions—no more than two—and I think it may only be one that was due to be re-elected last year and an election was not held. Other than that, I think all of them have had elections or are still working within the elected period of time. I only had this meeting last week. It was postponed from a month earlier at their request. It will take a little time to analyse this matter, but I hope that we will finalize it so that it would be duly constituted before the end of the year.

Mr. Deans: Well then, I can expect that all of the matters pertaining to hydro, including whether it is going to be a regional hydro, whether it is going to be left at municipal level, or whether there is going to be some distribution of assets and liabilities—this will all be taken care of prior to the end of this coming year and that there is no set date for any election.

Hon. Mr. Bales: There may be a temporary arrangement made. I am not sure. I will have to give consideration to it which will be done very quickly. But the realignment—there are some problems and complexities to it that I am finding, particularly in Newmarket. There is a difficulty because Ontario Hydro service, part of East Gwillimbury, which has now been taken into Newmarket municipal boundaries—and it is that kind of problem that we have to resolve. It will depend upon how we see it working; it will depend on whether there is an interim solution to it or a final solution.

Mr. Deans: One final matter in regard to planning for that same area. Can the minister indicate whether he has had any change of heart and will allow some of the money that was previously offered in regard to regional planning to be made available to the local municipalities for the planning purposes that

they require, since after all many of them did not have any local planning departments and have found it necessary to set up a planning operation where none previously existed? Is there any possibility of the minister perhaps making available some money for that purpose?

Hon. Mr. Bales: The moneys will not be going directly from this department to the various areas for their planning operations, but rather it will go to the region. And if, in turn, they wish to make some of that available in various ways to the areas, that will be satisfactory. It is up to them, though. I have discussed this with them briefly and they, I think, wish to make some assistance available to some of the areas.

Mr. Chairman: The member for Downsview.

Mr. Singer: Yes, Mr. Chairman, there are a couple of points that bother me and perhaps at some length I would like to deal with them. Number one is a concern that I have had for a very considerable period of time about the extent to which the government of Metropolitan Toronto is going to continue to be at the beck and call of the government of the Province of Ontario. One must wonder at some length and one must wonder somewhat loudly and with despair, if you come as I do from a background of municipal government, the extent to which the government lacks faith in the elected officials of our largest municipality.

One must recognize, sir, that we have here some 240 square miles in area, some two million people-plus in population, elected officials and civil servants who certainly would seem to be most representative and closest to the actual voice of the people, who unfortunately continue and must be the hand-maidens of the Minister of Municipal Affairs and his colleagues.

The most recent decision insofar as the planning and carrying out of a system that the elected representatives on the municipal level of metropolitan government believe was a balanced system of road transit and public rapid transit, which was taken away from those representatives, leaves us to consider the very serious problem as to whether or not there is any point in any further having municipal elections in our largest municipality and the showcase of the province, the capital city of the province, and whether or not there is any point in having Ab Campbell or Bill Allen or Fred Gardiner try and plan the

future of our capital city, try and plan how we are going to deal with water and sewers and roads and rapid transit and parks and all those other things that these people have been charged with over the years; or whether or not the compendium of all wisdom must continue to lie only in the minds of those who occupy the front benches of this government.

I have known the Minister of Municipal Affairs far too long a time—and I know of his record as a municipal representative—to attack him personally in this regard; but I wonder and I have to wonder aloud and at great length, as to what role he must play in the cabinet councils when this kind of decision continues to be made; when we get to the point, Mr. Chairman, where a plan that has gone on for 20 years in planning, has been examined backwards and forwards and been approved by the municipal board, and public moneys committed to it on the local level and the provincial level and approved by every local council and the head of every local council, and suddenly at the snap of the fingers be reversed? I wonder, really Mr. Chairman, what it means when the people who speak on behalf of government talk about municipal autonomy and local autonomy, and what it means to have the important position of being an elected representative on the municipal level? What really does it mean when this sort of thing—when the bond of the provincial government can be attached to a written contract which indicates that the municipality must proceed in a certain way, and when that can be wiped out at the stroke of the pen, notwithstanding all of the successive review procedure?

Perhaps something much more simple than the decision on the Spadina Expressway question is illustrative of this sort of thing. In the municipality of Metropolitan Toronto those people who are knowledgeable and familiar with police affairs feel it is a matter of the utmost importance that a new tower be erected to allow proper communication between the various elements of our police force in order to properly carry on the policing within this important metropolitan area. Over days and weeks and months and years, the decision of the municipal council, the decision of the police commission, the decision of the metropolitan council cannot be made final and reviews go on and on and on.

To the extent, Mr. Chairman—and I used to have some great fun in wondering where the Attorney General found a gentleman, I think his name was Crothers, to be on the

police commission—I had picked up the story and whether it is apocryphal or not I do not know, but somebody had met Mr. Crothers at a cocktail party and said: "You look like a nice fellow, how would you like to be a police commissioner?" And he said: "That is a good idea." And suddenly we made him a police commissioner.

But Mr. Crothers, no matter how he was appointed or no matter how government became aware of him, Mr. Crothers felt that this whole question about the police tower was important enough that at his own expense, he ran the expensive, and I think full-page ad, if my memory serves me correctly, in the daily newspapers saying what a tragedy it was that when the police commissioners of Metropolitan Toronto, and the Metropolitan council, had determined that it was important that a tower be erected, and the site appeared to be in the park on St. Clair and Spadina Road, that it could not be done without all these continued and repetitive hearings.

And Mr. Crothers, whom I do not know personally, and whom I did poke fun at several times in the House, Mr. Crothers having tried that method to appeal to this government, finally said: "My usefulness as a police commissioner is no longer obvious, and I therefore resign"; and he has resigned.

So I wonder, Mr. Chairman, how long is it going to be until this government begins to have some faith in anyone else other than itself?

Does he believe—and I appeal to this minister because he knows; he has sat on North York council, and he knows the job that people have to do who sit on local councils, and he knows the industry that the various elected representatives have brought to that council over a period of a substantial number of years, including himself. How long is it going to be that their considered decision, on the advice and in consultation with their ratepayers, who have an important voice in North York—and I can say this from personal experience, and the minister knows me, North York goes out of its way to notify and to allow its ratepayers to make representations—and in consultation with and advice from its civil servants—and North York particularly; and I am sure North York is not exclusive in this, Scarborough, Etobicoke, York, East York, Toronto have equally good civil servants; but North York particularly, and I know somewhat of what I speak and I am sure the minister will agree with me, is able to call on a body of trained and expert

civil servants—they look and they examine and they study and they come to a decision; and then somebody says: "Halt!" Whether it is a police tower, or a road, or a sewer, or a park. York Downs park, for example, I have spoken about this before. Is there no ability, Mr. Chairman, is there no ability in those councils to make up their own minds to be able to make a positive, a definite decision?

And the government obviously by its actions indicates that there really is not. They have to sit back and second guess, and continue to second guess and say: "If the noise is loud enough and if the noise emanates from St. Andrews or Bellwoods, and if it is loud enough, then suddenly we are going to reconsider"; "or if the noise is loud enough we are not going to poison Ramsden Park by putting up a police tower, even though the police are not going to be able to communicate efficiently any more"; "or if the noise is loud enough we are not going to preserve a golf course."

How long, Mr. Chairman, how long are we going to continue to have no faith at all in our municipal governments?

Many is the day—and it is very difficult, you know, to get through—many is the day that I have sat and fought with the now provincial Treasurer (Mr. McKeough), who had certain ideas about municipal autonomy. And far be it from me to try and say how each member of cabinet expressed himself on something like the Spadina extension.

But I just wonder, with those of you who inhabit those front benches, and who come to this Legislature with municipal experience behind you, how much longer are you going to believe that you have a message from the supreme being that allows you to say to the mayors and the councillors and the aldermen and the trustees: "We know better, and your opinions are subject to our constant review and reversal without notice; and reversal without reason, and reversal without hearing"?

Now that is a very substantial point. Surely, Mr. Chairman, there comes a point where, in our large and sophisticated municipalities—in Metropolitan Toronto, whose budget is larger than that of seven of the provinces in Canada—surely at that point, when 500,000 voters come out and elect those councillors, surely at that point there should be enough faith in them for the members of government to say: "If you make up your mind about doing something and it is within the rules, go ahead and do it."

I just wonder, Mr. Chairman, how much longer we think that all of the wisdom has to lie within the minds of the people who inhabit those front benches? And I just wonder, Mr. Chairman, how much longer the government thinks it is going to be able to get away with this idea that it has a message from on high and that the government and only the government has the intelligence and/or the ability to determine what should happen in Ottawa, or Kingston, or Kitchener, or Toronto, or York, or North York, or London or Sudbury or the Lakehead or what have you; and that the local people have really no intelligence or ability or understanding, and that the government understanding surpasses all?

That is the point. I think, Mr. Chairman, that we should hear in a definitive way from this minister. And I recognize that he operates under very serious difficulty, because personally I think he is most sympathetic to this. Unfortunately, by continuing to stay with his colleagues there he is under a very, very severe handicap. I would appeal to the minister to begin to speak with a loud voice—and maybe even with an independent voice—and begin to indicate to us that hopefully somewhere along the line there is some real role that those local politicians are going to be able to play within their own sphere of influence and within their own wisdom and within their own ability.

And they too are answerable. Because periodically they too have to go to election. And if the mayor of Toronto is wrong, or the mayor of North York is wrong, or the mayor of London is wrong, their voters can be trusted to deal with them.

Or if Mr. Crothers—who got caught up in this thing, believing he had some power—feels that there is a duty for him to serve as a police commissioner, hopefully his role is going to be meaningful; that someone can tell Mr. Crothers that if he thinks a police tower is important maybe there will be a police tower without years and years of waiting to the prejudice of the successful operation of our police force; that this kind of role in public service is important. I think this, Mr. Chairman, is a very important thing on which we should begin to hear from this minister at this time.

Hon. Mr. Bales: Mr. Chairman, I cannot let those remarks go by without making some comment. The hon. member knows me pretty well and knows my views, but I am interested in the hon. member's approach that the local elected official views should be final and

binding, because I have heard the hon. member on a number of occasions disputing the local decision and making it very clear that he felt there should be an appeal to a higher board and he was very grateful that there was an appeal. I think in many respects—in all respects—there should be an appeal to that higher board.

Now the member is talking about a second appeal. His main remarks were directed to an appeal beyond the municipal board, but he was really directing it in reference to the finality of the decision of elected people.

In all of those things, and particularly in capital moneys, we know the history of the municipal board and the reason it was set up. So I think it is important that there be that kind of an appeal system from a local decision, so that individuals or groups who feel that there was too much local political pressure in decisions should have another forum to make their submissions if they saw fit. The member is really contesting the decision, or the appeal beyond the municipal board to the cabinet itself.

I think that whole procedure may well need some revision and thinking. I think I was involved in one of the first appeals from the OMB to the cabinet. It has not been a practice; while the law has set it out for some years, the practice was not followed until recent times. It is only in about the last ten years that there was an actual appeal from the board to the cabinet itself. Of course, in the first instance, there was a suggestion that the matter be reheard from the very beginning and cabinet should hear the arguments all along the way. It was decided that that was not the proper procedure.

I recognize that there may well be a necessity of some change in procedures in that regard, but I do not agree with the member that there should not be an appeal from elected people anywhere to a higher body. I think it very important.

Recently, at a private bills committee hearing, there was a large Metropolitan area appearing on behalf of its submission. The hon. member and I both disagreed with the provisions that were being requested by the council. They were duly elected people. The chief magistrate of the area appeared and asked for approval. The member and I disagreed in principle and we said so and it was not passed.

So I think one cannot take it for granted that any decision made by any elected group should be final and binding. I think there must always be an appeal to a higher body. Now whether the appeal system should keep on going beyond that point is a good question and is one I think that must be rethought, but not on the appeal system itself.

Mr. Singer: Mr. Chairman, I am just fascinated by the minister's answer. I like the way, particularly, he states it in general principle: "There should always be an appeal from an elected body to another body."

An hon. member: Why should there be?

Mr. Singer: Who sits in appeal on the minister? Who sits in appeal on the Prime Minister (Mr. Davis). Who sits in appeal on the Minister of Municipal Affairs?

Mr. D. C. MacDonald (York South): The federal—Trudeau.

Mr. Singer: Who sits in appeal on the minister's decisions?

Mr. MacDonald: That godlike creature in Ottawa.

Mr. Singer: Who sits in appeal other than the voters? There is the point, Mr. Chairman, and there is where the story hangs.

Mr. D. A. Paterson (Essex South): They are going to find out.

Mr. Singer: Who sits in appeal? Surely it can only be the voters. Why does the Minister of Municipal Affairs believe that he has better wisdom than Ab Campbell, more than Basil Hall, more than Phil White or the other White in Scarborough, more than—

An hon. member: True Davidson!

Mr. Singer: —True Davidson, or the mayor of Toronto, or all of these, Why?

Interjections by hon. members.

Mr. Singer: Well why should he be the appeal board?

Mr. E. W. Sopha (Sudbury): Why should the bureaucrats be the appeal board?

Mr. Singer: As my friend from Sudbury so aptly says, why should the bureaucrats be the appeal board? What gives you the omnipresent wisdom to say we are smarter than those lesser people; that the 400,000 people who bothered to vote in the last

municipal election in Metropolitan Toronto were not smart enough to elect people who can make decisions for them—

Hon. Mr. Bales: I am not saying that.

Mr. Singer: —that we must sit in constant review? The minister has raised a very fascinating point. Let us go back into the history of the municipal board. The municipal board was the old railway board. It was revived by Hepburn at the height of the depression to look after those municipalities who had about gone into bankruptcy and receivership. And it was necessary because of the fantastic financial difficulty in which these municipalities found themselves. At that point, because the only somewhat stable financial base was this government, there had to be another presence.

But those times have gone, Mr. Chairman. Those times have gone and left us behind since 1938, 1939, but this government who likes so much to live in the past keeps it up. And why do you keep it up? What really do you achieve? Who do you think you are? Why is your intelligence better than that of Ab Campbell's?

That is the point. Why is your intelligence better than that of the mayors of Toronto, or London, or Hamilton, or Kingston, or anywhere else? Why is the intelligence of an appointed board, why is Mr. Kennedy—and I have the greatest respect for Mr. Kennedy; he does a great job, and within the terms of his reference in those statutes, tries to do a job as he understands it—but why is his intelligence better?

He is an administrator. He never goes to an election, he is never answerable to anyone, he is appointed. If you ever tried to fire him you would be in the damndest political pickle that you could ever imagine. He is answerable really to no one, as long as he carries on in good behaviour, I think that is the legal term. Why is his intelligence better than that of the elected officials of our municipality?

Whether it is Kennedy or the collective opinion or the majority opinion or the minority, I do not really care; it is the principle I am talking about. Why have any of them the right to interpose their judgement over and upon those elected municipal people who raise their own taxes, who operate within the boundaries of the provincial statutes—they have to—who take your grants as they come and as they are prescribed? Why is their intelligence so mediocre, so

minor and so unimportant that you geniuses are able to say: "We superimpose our opinion over and above theirs"?

They have the same kind of an electorate to appeal to every so often and to get their sanction or condemnation, but you people say: "We are smarter; we know better." "We can collect," the Treasurer says, "we can do all the assessment here in Queen's Park, and that is far better and far more intelligent than the way assessment used to be done in Metro, or used to be done in Windsor, or used to be done in Sudbury. We here are the repositories of all wisdom."

And I say, Mr. Chairman, that the centralization that you people are carrying out, and the clutching to yourselves of these strings of power is what is going to defeat you in the election that is forthcoming in the next few months.

I say that you just do not understand the idea of responsible government, and you have let the strings of the idea of political responsibility go loose, that you have dug your own graves, and there is no logical or intelligent explanation any longer for the way in which you carry on, other than for selfish and chauvinistic personal, apparent, present political gain.

It is not going to save the Minister of Trade and Development (Mr. Grossman) or help him, that he was instrumental in stopping Spadina. It is not particularly going to save anybody that there is not a police tower in Ramsden Park. The only people it is going to hurt that there is not a police tower in Ramsden Park, or somewhere else, are the people who depend on the efficiency of our Metropolitan Toronto police force. And Mr. Crothers said that to you.

Now Mr. Chairman, I do not know that there is any answer. I would hope that the minister had an answer, but he did not when he replied to me. I would think that the time has come that this government should have enough faith in the people of Ontario that they can begin to run their own affairs on the municipal level. And when you recognize that 2,000,000 people living in Metropolitan Toronto are almost like kindergarten students and the government does not trust them at all, then one has to wonder about the intelligence of those people who dictate government policy.

Mr. Chairman, there is another point I wanted to deal with—

Mr. Deans: Why do you not ask the Treasurer what he thinks about the—

Mr. Singer: You can ask him what you want. I have some other thoughts.

Mr. Sopha: The member is not speaking to the Treasurer right now.

Mr. Singer: There is a second point that I wanted to deal with, and that arises out of an incident that is presently current, again in Metropolitan Toronto, involving the charges of alderman "A"—and I am not going to enter into the merits of them—against alderman "B" relating to conflict of interest.

Now I do not know whether the charges as set forth by alderman "A" or the defence set forth by alderman "B" are in fact valid or invalid, but I do know that what has happened is that the charge and the reply have created a very unhappy atmosphere in the minds of those people who concern themselves with what might be a conflict of interest.

And I do know, Mr. Chairman, that as far back as 1961 some of us, as members of the select committee on municipal affairs, were charged with the responsibility of reviewing The Municipal Act. And we did at that time and perhaps at my behest—and I am not going to be unduly modest about this—put forward a series of recommendations to the government suggesting how the various conflict of interest sections might be re-framed and reworded to become somewhat meaningful, and to provide a provincial presence—perhaps at this point something is necessary—provide a provincial presence in this sometimes unsavoury and unhappy atmosphere where this kind of charge and reply is being made.

It was very interesting. I remember debating with Mr. Frost, the premier of the day, and he said: "Oh come on now. You are not going to concern yourselves with a councillor who sells a shovel to his local council;" and, "Really, municipal councillors are not that corrupt;" and, "Really, you do not expect us here, at Queen's Park, to concern ourselves with what goes on in these councils? These are matters of local autonomy"—a wonderful phrase that the government brings to mouth every time somebody makes suggestion about reform.

And with all these excuses—and particularly preserving the idea of local autonomy—Mr. Frost said, "Go away and do not bother me. Let us forget about these recommendations."

Well be that as it may. Without embarrassing anyone, I happened to talk with the minister's deputy a few days ago and he said,

"Well yes, I remember those recommendations and there was some sense in them, but there were a couple of details that we did not like." And I am not suggesting for a moment, Mr. Chairman, that those were perfect. If there were some details that the government did not like or the deputy minister did not like or his predecessor's deputy did not like, feel free to change them. But feel free to do something. Feel free to act on the kind of recommendation that was made in principle.

A select committee with a majority of government members made these unanimous recommendations and they have been sitting in government files since 1961, and there has not been a substantial change in the conflict of interest section from then until now, or from then back perhaps 40 or 50 years.

Then the issue arose again. I think it involved the city of London and some conflict that existed there. The detail of that escapes me at the moment. Bus driver, yes, and there were all sorts of arguments backwards and forwards, and I think that sparked a civil service committee to be appointed. And if my memory serves me correctly, the present Deputy Minister of Municipal Affairs chaired that committee—well, he was a member of it, whether he chaired it or not, somebody chaired it—and they were substantially civil servants.

They brought in a report, "Report of the Committee Relating to Conflict of Interest," and it was tabled here in 1968. It gathers dust in the library, and I presume in the department, and their recommendations in principle were not really very different at all from what the select committee had recommended in 1961. There has been no change. So now, what are we down to?

Again, let us come back to the Metropolitan Toronto situation as it exists now. There have been charges and replies, attacks and defences; by and large for the public good there appears to be no answer. I note there is a resolution of the executive committee of the city of Toronto asking the minister to appoint a judge to conduct an inquiry. He may or may not act on that; I have not heard what his decision is. I suggested that to him the other day and he shied away from that—"Oh, that is a terrible thing."

The minister should take initiative on his own, but the thrust of the recommendations that we and the civil servant committee made then on the conflict of interest was that there should be clear, definitive, provincial statutes. It makes no sense today to talk

about direct or indirect interests; it is a field to be substantially broadened. When you talk about direct or indirect interest and obviously miss a corporate interest, you are just opening the door so wide you are inviting abuse.

The day of the initiative lying with a "relator"—a citizen who is interested and concerned enough and determined enough to initiate action on his own; he is going to endure the arrows that are always addressed to an attacker; he is going to endure the great sacrifice of time and the great expenditure of his personal fortune to pursue this kind of thing—must have gone. Surely if at any point in our affairs, the role of our provincial government, the so-called watchdog, the father of municipalities, is going to play a part, this is the point where there must be some kind of initiative emanating from this government. Here we have another one.

As I say, Mr. Chairman, it is none of my business at this point to attempt to analyse the problem that is presently worrying the city of Toronto council. But what does bother me is the lack of presence of the Minister of Municipal Affairs in this dispute. It is the lack of adequate statutory enactment which spells out what appear to be the morals of our broad community insofar as this is concerned.

The ancient words that have been in our statutes for a period of 50 or 75 years no longer answer the problem that faces the complexities of modern municipal government. There should be some initiative available to be exercised by the provincial government on its own behest. Or at least, Mr. Chairman, the government should look seriously at the recommendations of the select committee of 1961; or the recommendations of its civil servants committee of 1968; and begin to enact into legislation in a meaningful fashion, statutes that have some teeth in them.

I think that is the point I want to make about this present dispute. As I say, I do not want to take any sides in it, but I berate the government just as seriously as I can for its neglect, its absolute neglect, of its ability to seize this problem, to write definitive statutes and to assert a particular presence for the good of the people of Ontario. While it may say, as Frost said, in 1960 and 1961, "Let us not interfere with local autonomy," let us not delude ourselves any longer. Local autonomy is good as an excuse when they do not want to do anything, but it is absolutely meaning-

less when the Minister of Trade and Development and the Provincial Secretary (Mr. Yaremko) say, "Stop Spadina because it is going to make more votes." Local autonomy goes out the window.

Mr. R. F. Nixon (Leader of the Opposition): The Attorney General (Mr. A. F. Lawrence) is in on that too.

Mr. Chairman: The member for Welland South.

Mr. R. Haggerty (Welland South): Mr. Chairman, this deals with the municipal organization and administration of local distribution of hydro or electricity in the Niagara region. I believe the study was completed by the OMEA some two years ago, making recommendations as to how local distribution of electricity in the Niagara region should function.

It was suggested, if I can recall, one regional hydro utility regardless of what it would cost the regional municipalities of Niagara. Under section 182 of The Regional Municipality of Niagara Act, public utility and hydro-electric commissions having control over supply and distribution of electrical power were continued in existence for the year 1970.

This delay was done in order that the provincial government, together with the Hydro Electric Power Commission and the Ontario Municipal Electrical Association could develop a general policy on the electrical energy function within a regional government system.

I understand, Mr. Chairman, that studies on the question are in progress and that the government hopes to have legislation ready perhaps this coming year. It is waiting for a further report on it. Now, at what stage is this report? Is it completed?

Hon. Mr. Bales: Mr. Chairman, I was dealing with the hydro arrangements in reference to York region a few minutes ago in reply to the question of the hon. member for Wentworth. It is the same kind of problem and the studies are not completed, as I said in reference to that matter. The same applies in reference to the Niagara region. I anticipate they will be this year.

Mr. Haggerty: You are not quite sure, though? You mean, there will be another amendment to the Niagara bill to extend it for one more year if the study is not completed?

Hon. Mr. Bales: There may be.

Mr. Chairman: Is vote 1404 agreed to?

Vote 1404 agreed to.

On vote 1405:

Mr. Chairman: Ontario Municipal Board programme. The member for Windsor-Walkerville.

Mr. H. Peacock (Windsor West): On vote 1405; Windsor West, Mr. Chairman.

Mr. Chairman: I am sorry, the hon. member for Windsor West.

Mr. Peacock: On vote 1405, I would like to ask the minister a question in regard to the operation of The Ontario Municipal Board Act insofar as the right of petition to cabinet from a decision of the board is concerned, and the way in which cabinet responds to that petition.

The Spadina Expressway decision is the example, I think, which might be appropriate to use, Mr. Chairman. Section 94 of The Ontario Municipal Board Act as amended in 1965 reads;

The Lieutenant-Governor-in-Council may

(a) confirm, vary or rescind the whole or any part of such order or decision or

(b) require the board to hold a new public hearing of the whole or any part of the application of the board.

Now all that we know of the order-in-council which is required to be made by section 94 of The Ontario Municipal Board Act in regard to the decision on the Spadina Expressway is the second and third paragraphs on page 3 of the statement of the Prime Minister in the Legislature on Thursday, June 3. In that statement the Prime Minister said as follows:

We do propose to co-operate with the appropriate municipal authorities in the development of alternative transportation facilities, in which we shall offer appreciably greater provincial financial assistance for rapid transit services, including land acquisition and parking.

I am sorry, Mr. Chairman, I missed the preceding key paragraph. It is the first and second paragraphs on page 3 which I should have referred to. The first paragraph reads as follows:

Hon. Mr. Davis: Mr. Speaker, the government of Ontario does not propose to proceed in support of the plan for the Spadina Expressway.

Those two paragraphs which I have cited are the nub of the statement of June 3 of the Prime Minister. All the rest is verbiage. Some

of it perhaps will be memorable insofar as the history textbooks are concerned, if such are ever written in regard to the Spadina decision.

But, focusing on the two paragraphs that I have quoted, we still do not know what the terms of the order-in-council are. At least the last time I checked with the clerk of the executive council, on the first floor of this building—that would have been prior to the cabinet meeting of last week—no order under section 94 of The Ontario Municipal Board Act had been made by cabinet and given the consent of the Lieutenant Governor.

So the House and Metro and the people of Ontario do not yet know whether the cabinet intends to vary the Ontario Municipal Board order given by a majority of that board sitting on the application of Metro and the application for review by the Spadina review commission; or whether the cabinet order-in-council intends to rescind the board order given at that time.

Would the minister advise if my reading of The Ontario Municipal Board Act is correct and we can take it for granted that the cabinet will not confirm the board order? That, at least, the Prime Minister's statement has made plain. But that the cabinet must then proceed to either confirm or vary the order. And in that respect, if that is required of cabinet, then we are still in doubt as to which the cabinet will do.

Hon. Mr. Bales: You will appreciate, Mr. Chairman, that appeals from an Ontario Municipal Board decision to the cabinet are made, not through this department, but through the Attorney General and he presents them to cabinet and it is dealt with in that way. The order-in-council would emanate from cabinet but be developed through that department and not through this department.

Mr. Peacock: That, I take it, is the processing of the petition? The manner in which it is conveyed to His Honour and order obtained through order-in-council rather—

Hon. Mr. Bales: The Attorney General has the carriage of it, yes.

Mr. Peacock: However, the minister whose estimates are now before us has charge of the administration of The Ontario Municipal Board Act and I think it is to him that we must turn for clarification of the Act, insofar as it affects government policy.

I ask the minister again, if it is not the case that the cabinet must now proceed to either vary or rescind the Ontario Municipal Board order? As I read it, Mr. Chairman, if the cabinet does not do either within the near future, then for all practical purposes the board order stands. How can it be otherwise than that the majority opinion of the board stands until the cabinet, by order-in-council, decides what it is going to do?

Hon. Mr. Bales: This is a matter which is before cabinet. The Prime Minister is the one who made the statement and either he or the Attorney General will issue the order-in-council when it comes out. It is not up to me, at this point in time, to interpret the order, whether it is varying or rescinding. That is a matter of phraseology.

Mr. Peacock: It is not a matter of phraseology.

Hon. Mr. Bales: Yes it is. And the decisions which are not carried by me to cabinet, the others will have to reply in reference to that matter.

Mr. Peacock: There are tremendous differences between the meaning of the word "vary" and the meaning of the word "rescind." It may well be that the cabinet could decide to vary the board order along the lines of the dissent written by the chairman of the board, Mr. Kennedy. It could be that the cabinet will decide to rescind these majority opinions which resulted in the order respecting Metro's application and confirming Metro's application's for the additional spending.

I appreciate that it is not the obligation of this minister to impart what the cabinet may be intending to do in that respect, but orders-in-council cannot be made except by a committee of cabinet. Orders-in-council cannot be made by a single minister, or the Prime Minister, they must be made by a committee of council. They must be attested to that they have been made by a committee of cabinet, by the clerk, before the order is lawfully made and filed.

Whether or not the Prime Minister reached the decision on his own and announced it to the cabinet is something that will remain a matter of speculation perhaps for some time to come at least. But in the immediate future, must Metro not consider what it must do to revise its transportation planning? And I say, by way of parenthesis, that I believe it was the weekend before last when a

transportation committee of Metro council met and adopted a resolution proposing a \$1.8 million revaluation study of the rapid transit alignment, so somebody in Metro must know officially what the government's intention is and the government's intention can only be officially and lawfully announced by an order-in-council.

The reason I raise this, Mr. Chairman, is that I was doing some work at the office of the Ontario Municipal Board recently in regard to a similar matter in Windsor. That is, the manner in which the authorizations for expenditures on the E. C. Row Expressway by the Ontario Municipal Board were undertaken and whether, at some point in the future, as in the case of the Spadina Expressway, the city could be required to return to the board for authorization of further spending.

As I looked through the files of applications from Windsor, and then through the files of applications and all of the records respecting the Spadina Expressway, I noticed there was no reply. There was nothing on the record of the Ontario Municipal Board respecting the Premier's announcement of June 3. That part of the OMB's record of Spadina was vacant, a gap, a complete void. It is as though the Premier had never risen in his place on June 3 and told us here assembled, and all of the people in the galleries, that this cabinet, that this executive council, had decided in the words of the Premier—and perhaps at this point I should recite the memorable ones rather than the straightforward ones: "Does not propose to proceed in support of the plans of the Spadina Expressway."

Has the government communicated that decision to the chairman of the Municipal Board? There is nothing on the record of the board offices that would indicate that the cabinet has acted. Not a jot. Unless the Minister of Municipal Affairs or the Prime Minister or someone else has picked up the telephone and said: "Al, this is what we are going to do".

To all intents and purposes the chairman of the Ontario Municipal Board does not know what has become of the majority decision rendered in the case of the application by Metro for continuation of the Spadina Expressway and the launching of the rapid transit line. There is nothing on the record of the Ontario Municipal Board. The only thing that is on the record is the statement of the Prime Minister of June 3.

And I say to the minister; it must be that at some point in time, the decision of the cabinet must be made effective by order-in-council. All of the authorities who were involved—The Department of Highways, the council of Metropolitan Toronto, the Ontario Municipal Board, the parties to the petition and application, the intervenors such as the Borough of York—must surely be informed of the disposition of that petition which came from the Spadina Review Corporation addressed to the Lieutenant-Governor-in-Council by way of appealing the decision of the Ontario Municipal Board. The decision just cannot disappear into a vacuum. It must have, at some point, some governmental, some legal, some official enactment to bind the municipality of Metropolitan Toronto to the cabinet decision.

Mr. Chairman: The member for Waterloo North.

Mr. E. R. Good (Waterloo North): Yes, Mr. Chairman, on the matter of the Ontario Municipal Board—were you waiting for a reply? I am sorry.

Mr. Peacock: Yes.

Mr. Good: He has not replied for two days so I do not know how you could expect anything now.

On the matter of the municipal board's programme—

Mr. MacDonald: The minister is a void as well as the record.

Mr. W. Ferrier (Cochrane South): They are not saying very nice things about the minister.

Mr. Good: I would like to bring up a few matters, and I would refer the minister to the winter of 1971 report of the Bureau of Municipal Research where they devote a whole pamphlet to the Ontario Municipal Board and the study of that body. I trust that if the minister himself has not read it, members of the department have, because there are some very well made points in this Bureau of Municipal Research article here. To start off it says:

The present-day responsibilities have resulted from an awesome, and to some extent, haphazard accumulation of powers.

I think perhaps that describes the function—or at least, not the function, but the accumulation of the powers of a municipal board very well. Because when we realize

that in the matter of, well annexation, amalgamations and boundary revisions in municipalities, there are probably about 10 or, pardon me, about 20 or 30 different instances where amalgamation or boundary divisions or annexations have been carried out on the authority of the Ontario Municipal Board. In fact, Mr. Chairman, we find that a great deal of the actual planning in our municipalities is in the final analysis being done by the Ontario Municipal Board.

One wonders about that. In what manner is the board exerting its responsibility and its authority? Is it always doing it within the confines of what would be designated or enunciated as government policy?

The Municipal Research Bureau goes on to question very much whether there is enough information going from government to the OMB as to what government policy actually is in its overall sense, not in its individual application to certain instances, but in its overall sense. Is the OMB actually aware of what government policy is; if indeed government has any policy in certain matters over which the OMB has jurisdiction?

This brings me to the point which I have questioned in other years, and that is the composition of the OMB. I think there are too many lawyers on it. That is my own personal opinion. If the OMB is indeed responsible for such matters which do in the final analysis affect the planning of our municipalities, then I think they need extra teeth in some other areas. When I questioned the chairman of the board on this a year or two ago he said, "If I had my way all members of the board would be lawyers."

How can they properly carry out their function as planners—which they really are in the final analysis, because they affect the planning of our municipalities to a great extent—without a lot of good social planners and municipal planners and economists and accountants and everything of this nature? I know there is one or so of each, but that is all, and I do not think that they can properly interpret what are the policies of government into each application that is before them. Well, so much on that point.

Now, the articles goes on to say that assessment appeals should be removed from the jurisdiction of the OMB and transferred to a judicial tribunal. Now the OMB hearing assessment appeals when the municipality was doing assessment, was quite a different thing from when the province is doing the assessment. Now granted, the OMB—I am

not accusing them here of being partial towards the policy of the assessment branch of The Department of Municipal Affairs, but there is the possibility that the public will get the impression that they are being assessed by the government and they are appealing their assessment to the government body which is the OMB. And in fact you could have in many people's minds a conflict of interest, which may not exist.

But as has often been said here, this must be above and beyond reproach, where there is no indication even that the OMB would have any connection with the same body which has originally done the assessment. I think that point is very very well made in this article. I hope the minister would look into that. We have dealt with the needs for government to make its policy known to the OMB in these matters.

Now as the municipalities have grown over the past number of years, the OMB has certainly served a useful purpose. No one denies this, but I think the time has come where the department and the government itself must take a good look at the degree of sophistication which many municipal governments have arrived at in the past few years. As cities become larger, as regional governments are established, perhaps—as has been mentioned once before here tonight—the elected people of the area must have a greater degree of control over the decisions for that area.

It is they in fact, who are most closely associated to the actual problem. This is the biggest complaint in the local government, that somebody sitting down in Toronto—and this does not apply just to the OMB—behind a desk, who has never been to the area, is not familiar with the local situation, is making decisions which could very well be made right at the local level. So this is the other point.

So in these matters I would trust that as our structures of government change, as our function in assessment has changed from one jurisdiction to another, the new minister would take a good look at the present authorities of the OMB and just see if in fact they are carrying out a function which is relevant to our existing municipal structures as we know them now.

Mr. Chairman: Yes. The member for Windsor West.

Mr. Peacock: I had not realized the member for Waterloo North was proceeding

to another matter when I took my seat after discussing The Ontario Municipal Board Act and its provisions relating to the Spadina Expressway.

Can the minister tell the House what binds the municipality of Metropolitan Toronto now not to proceed any further with the Spadina Expressway or any aspects of it?

Hon. Mr. Bales: The decision of the Ontario Municipal Board was appealed to the cabinet and the Premier has announced the decision of the cabinet in reference to that matter, and stated, as the member well knows, that the Spadina Expressway shall not proceed and that the decision of the board was not confirmed.

Mr. Peacock: Mr. Chairman, it is clear that a decision was reached by cabinet, as announced here in this House, but a statement by the Prime Minister, under statements, during routine proceedings in this House, has no force of law. It does not bind anyone. It does not require anything of the municipality of Metropolitan Toronto or the Municipal Board that it tear up its majority decision and order. What force does the Prime Minister's statement of June 3 have?

Hon. Mr. Bales: It is the result of a cabinet decision.

Mr. Peacock: We really cannot accept that, Mr. Chairman, that a statement of the Prime Minister binds the municipality of Metropolitan Toronto to ignore a decision of the Ontario Municipal Board. Surely the provisions of The Ontario Municipal Board Act are clear, that the Lieutenant-Governor-in-Council is permitted by the legislation—permitted, the word "may" is used—may confirm, vary or rescind the whole or any part of such order or decision upon a petition having been properly presented to him."

He may not act at all. He is entitled not to act under the provisions of section 94, but the Lieutenant-Governor-in-Council apparently has acted. We know that he has acted not to confirm the OMB decision, but we do not know if he has acted to vary or rescind the OMB decision, and surely that must be arrived at at some point in time by the Lieutenant-Governor-in-Council—the decision as to whether to vary or rescind. If the Lieutenant-Governor-in-Council does not act, does not respond to a petition, then presumably the OMB order stands. I just do not comprehend the refusal of this administration to say what it is going to do.

Mr. Chairman: The member for Wentworth.

Mr. Deans: Just one brief remark, Mr. Chairman. I want to say about the Ontario Municipal Board that in spite of the fact of having appeared before it a number of times I have not always come out on the winning side. I happen to feel that the board has served a function, not only useful but absolutely necessary in the conduct of the business of this province. I feel that the board, to the majority of ratepayers, has been a godsend, that the decisions that the board has come down with—and I could list them as long as your arm, or longer, in favour of the appealing party, particularly in regard to individuals appealing matters of concern to them as it affects their own properties—have proven to be of immeasurable value. While one might criticize the board and its operation from time to time, I think in the overall picture that it has performed admirably for the people in this province and I want to say so.

Vote 1405 agreed to.

On vote 1406:

Mr. Chairman: Assessment review court; the member for Waterloo North.

Mr. Good: Mr. Chairman, there are two points regarding the assessment review court that I would like to make under Vote 1406.

The first deals with the relationship of the average individual toward the new assessment review court when he goes to appeal his assessment. When the assessment review court came into being, I mentioned at that time to the former Minister of Municipal Affairs that I was afraid that the assessment review court was going to take on a completely different characteristic than the old, previous court of revision. As you know the court of revision was made up usually of local people. The appeal was in quite an informal setting and an average individual, often without legal counsel, could appeal his assessment quite easily and in a manner where he felt he was getting across to the courts of revision.

I expressed concern at that time that the new assessment review court would be set up as quite a judicial looking body with a great degree of sophistication and one where the average individual would feel quite uncomfortable in appearing before it. Well it is my understanding that this has, in fact, happened. It is quite a sophisticated body now, renting only quarters from the municipi-

pality and set up in a manner which is quite rigid and judicial or quasi-judicial and almost frightening in its aspects to the average person who wants to go to appeal his assessment. This I had been told would not take place, and the old informality of the court of revision would remain. Well my information is that it has not.

The other point I would like to make is the fact that many municipal people are somewhat frustrated by the new procedures of the court of revision in dealing with write-offs, refunds and cancellations.

This applies in matters of businesses usually going out of business in a municipality. And there are hundreds of businesses going out of business every year in many of the municipalities. So that these people, in effect, have refunds coming to them, or perhaps they have gone out of business and have not paid their business tax, so the municipality has to write that off their book. Or maybe there have been errors in the assessment and there are cancellations, and there have to be charges made back to the individual businessman.

The municipal treasurer may not make these payments except by the authority of the court of revision. The courts of revision sit at only periodic intervals in each municipality, probably not more than four times a year. That means that the municipal treasurer maybe has to wait three months before he can get a hearing to send a refund back to a certain businessman. Usually by this time that businessman has been out of business and he has gone out of the community and he is madder than blazes because he has not got his refund when he really needed it when he quit his business.

So I am suggesting, Mr. Chairman, that in the matter of write-offs, refunds and cancellations, there is no reason why the local court of revision, which still exists in the community for the case of hearings for local improvement purposes, could not look after these things which really, Mr. Chairman, are nothing more than local matters. They are matters that are asserted to by the assessment commissioner of the area, and when the assessment people tell the municipality that the business at such-and-such an address has gone out of business, the treasurer says: "Well, they have paid their business tax for the whole year, and we owe them a refund, there is no reason why this procedure should have to build up and build up for months and months before the municipality can take action on it."

This, I am afraid, results in a great deal of frustration for the local people in trying to keep a neat and concise and up-to-date and accurate record on these business assessments which have ended up with the business going out of business, and a refund is required. I am not criticizing the assessment review courts for not following the laid-down procedure. What I am suggesting is that the laid-down procedure has too much red tape involved for all that is really involved in the transaction.

The way it is now, for the treasurer to give back to that businessman who has gone out of business, there is the sitting of the assessment review court. The assessment review court maybe gets around to sitting in that municipality two or three months later.

He sends out a formal notice to this businessman that there is going to be a hearing to see whether or not he should get his money back. Goodness me, the treasurer knows he is going to get his money back because he has got word from the assessment people that he is no longer there and that has been verified. The businessman by this time may be anywhere and this notice is sent out. If he is still around and he gets the notice, he says, "What is this all about? Somebody is having a hearing on me. What did I do?"

He has to appear before this hearing. There is no reason why former procedures—which allowed the treasurer of the municipality to be the appellant before the court of revision and say to the court of revision "This business went out of business. We owe them \$95 refund on business tax, will you approve it?"

That is all there is to it. What has really happened is a simple local transaction has now become a complicated hearing before this very sophisticated body of the assessment review court. I would very respectfully ask the minister to see if this could not be simplified in a manner that the local municipality could look after, without having to get involved in the very complicated procedure of assessment review court hearing.

There is no problem with the municipality putting new business under section 43 on the assessment rolls and charging the business tax. They can do that quite readily just on word from the assessment commissioner that they are existing and eligible for taxation. If they can put them on without a hearing, why can they not take them off and give them the refund without so much red tape and complicated procedure?

Hon. Mr. Bales: Mr. Chairman, the assessment review courts are not formalized hearings and it is the intention that they should not be. I think, in most instances, those who are presiding are picked to be understanding people with knowledge of assessment or property value. In any of the reports I have received they conduct a fair but relatively informal type of hearing.

The courts of revision do not exist in all municipalities. They are there in certain instances to deal with matters of local improvement, and the clerk or the officials of the municipality can request a hearing of the assessment review court on relatively short notice. There was a difficulty in setting up the court, getting the personnel, getting the situation organized. But that has come about.

I will be glad to take this up with the chairman to see that the hearings are held, if there has been any difficulty on the matter that you have raised. I think it can be looked after quite readily in that way. I realize that they should be held frequently particularly with the businesses that have gone out of operation and so on. I think this matter can be handled through the assessment review courts, and I will take it up with the chairman.

Mr. Good: Could I have an undertaking from the minister that he will look very thoroughly into the aspect of whether or not the assessment review court hearing is really necessary for write-offs and refunds?

Hon. Mr. Bales: That is a reasonable request, certainly.

Mr. Good: Under your present legislation and regulations it is necessary but I would like you to look into the fact of whether it really is necessary.

Mr. Chairman: Vote 1406; the member for Essex South.

Mr. Paterson: Mr. Chairman, I have one or two brief questions in regard to the assessment review court. Could the minister outline to me just how these people are picked to chair these hearings? What I want to relate is a matter that I was involved in earlier this year when an architect was picked in the county of Essex—I believe from the city of Windsor, which is a fairly highly industrialized and unionized city. Certain standards of building costs are enjoyed in that city.

This particular assessment commissioner was sent out to hear the appeals in my own municipality, and I appeared before him on

behalf of my own property. I studied the manuals to the best of my ability—from all angles; from the costs; and with all our bills and so forth; what the property cost us; the current market value according to the best real estate people in the area; and in relation to income return; the three basic criteria.

In all cases, the commissioner had his slide rule out and basically said, "You just cannot build a building for that price." He was out about 25 per cent more because of his background, coming from a situation where, possibly, labour costs are much higher than in the smaller communities that have local contractors and the possibility that persons, such as myself, might subcontract out our own work and possibly do it more economically.

Is there any consideration given in this regard to having people who would sit in judgement from, say, a rural background or a smaller community rather than from a city background?

Hon. Mr. Bales: In most instances, I think there were people with experience on the courts of revision. With that kind of background, in the particular instance the hon. member is referring to, perhaps a man was using matters that were particularly familiar to him in his regular profession and applying that special knowledge to those kinds of situations.

I think when you sit on the assessment review courts you must use good common sense and try to look at the matter, not from a technical standpoint, but rather to see that equity and common sense and care is given to the matter before you. I do not think you should endeavour to overwhelm the person before you with a lot of technical knowledge. This is not the objective at all.

Mr. Paterson: It just seemed that he was bent on his own profession and the frustration of the real estate appraiser who was appearing before me, who is a good personal friend and a very good friend of the minister's political party, and he was quite embarrassed. In fact, he may be opposing me in the next election, which is immaterial.

Mr. Nixon: That will be even more embarrassing for him.

Mr. Paterson: That is for sure. But it seemed from the comments that this man was not highly qualified; yet he was the most competent real estate person in the county.

Mr. Nixon: The best the Conservatives could find.

Mr. Paterson: There seemed to be one other person in the overall area who had a few little letters behind his name that may have been more competent and possibly we should have used him. This seemed to come out of a general conversation throughout the many hearings that I sat through listening to the average citizen, and it was certainly most interesting to see what happened in that court.

Mr. Nixon: As the Minister of Transportation and Communications says, "It is part of the way of life."

Vote 1406 agreed to.

On vote 1407:

Mr. Chairman: The member for York South.

Mr. MacDonald: Mr. Chairman, I wanted to deal with one particular aspect of The Residential Property Tax Reduction Act application.

I think it is rather interesting and significant that this particular estimate is now lumped together under a title which is tax diminution programme. In short, I presume this is the government's bringing together of its tax reform programme or the substitute therefor, namely, a series of rebates of one kind and another which lessen the tax burden. Insofar as the government is concerned, these are the mechanisms by which it introduces greater equity into the tax structure.

That being the case, I am rather puzzled by the kind of thing that has happened during the experience we have had now for some three or four years with the residential tax reduction programme. I am interested not only in the general sense, but in the particular sense for the borough of York, a good portion of which I have the honour of representing in this Legislature.

It is interesting to note that this year the residential tax rebate, as it is generally referred to, in the borough of York averages \$66.60. In the neighbouring borough across the Humber River, namely, Etobicoke, it averages \$84.20. Just a little north in North York it averages \$83.

Significantly, when it was introduced essentially the same amount was rebated. There was some variation, but not a great variation, today it ranges from \$66 up to about \$84. The reason for this is that midstream, so to speak, the government changed the basis of

calculation from the original payment on the first \$2,000 of assessment to a payment of a lump sum of \$30, plus 10 per cent of the average tax on the previous year on residents in that municipality.

The net effect of that was that the government introduced an inequity. In other words, the richer the municipality, the more the government is paying back. The poorer the municipality, the less it is paying back. When it gets to the borough of York, which happens to be a municipality with about the lowest, perhaps the second lowest, per capita income in the Metropolitan Toronto area, and with the highest taxes, we—

Hon. Mr. Bales: No, not the highest taxes.

Mr. MacDonald: Well, very close.

Hon. Mr. Bales: No, no!

An hon. member: The poorest highways leading into the city.

Mr. R. M. Johnston (St. Catharines): That is their responsibility, not yours.

Mr. P. D. Lawlor (Lakeshore): Do not try to come to his rescue.

Hon. Mr. Bales: The average net taxes, Mr. Chairman, in 1970, for example in York, were \$366. In Etobicoke, they were \$542.

Mr. MacDonald: No, the tax rate is what I am talking about. If one assumes that the houses the people are living in—those little 20-foot lots that are so characteristic of Silverthorne and many of the parts of the borough of York—if one assumes that this is some indication—and it is—of the income of the people, what you have is the highest tax rates in an area which is one of the lowest per capita incomes. Now if the objective of this tax diminution programme is to introduce equity into the tax structure, surely you are going to compensate those who have the least capacity to pay. But what in effect you are doing now is compensating those who have the most capacity to pay in the richer boroughs. Interestingly enough, the deputy treasurer in the borough of York has made representation to the board of control, as was reported on May 20 in the *Globe and Mail*, and they were interested enough in the calculations that a brief is being presented for submission to the government. With the congestion of activities and other matters intervening, that has not yet been done. I checked to day and I discovered that it is going to be done.

My question to the minister is this: How do you justify the kind of change in the basis of calculation you made last year in the residential tax rebate which results in making a smaller repayment to those who have the least capacity to pay their local taxes?

Hon. Mr. Bales: In the original case, they exempted the first \$2,000 of assessment, but it was found that when that was applied across the province, they were creating some built-in inequities.

Mr. MacDonald: What for example?

Hon. Mr. Bales: Under the present system, they have applied a uniform deduction for all properties. Whatever their type, size or value it is \$30 across the province; so there is that basic assistance to every municipality.

Mr. MacDonald: Plus 10 per cent of the average tax.

Hon. Mr. Bales: Yes but there is that common factor of \$30 to every property, because some of them got less than that figure in the initial case. Then there is 10 per cent of the average net taxes in the municipality in the previous year. It is a combination to assure that every property shall receive some rebate in taxes by way of money or credit to them, because under the original system some people would not receive a deduction when we had it on the previous basis.

Mr. R. Gisborn (Hamilton East): Does that not make it regressive?

Hon. Mr. Bales: No!

Mr. MacDonald: The minister argues that because you introduced, in his terms, greater equity by a basic \$30 across the board, this is introducing one phase of equity where, in some of the calculations hitherto, there had been no equity. But what he is ignoring, surely, is the proposition that by adding 10 per cent of the average, what you are doing is paying less out to those municipalities that happen to be the poorest and therefore have the least capacity to meet their tax burden. The result is that you have this growing discrepancy in the tax rebate that goes to a municipality like the borough of York, as compared with Etobicoke and North York.

In short, if the whole operation represents the government's tax reform programme, designed to produce greater equity; whatever may be the balance of equity and inequity in the change you made, the net effect is that you are ending up with a greater inequity;

and it is a very strange proposition that a tax diminution programme designed to produce greater equity has greater inequities built into it.

The minister may argue all he wants about the details of it, but the final result is there and cannot be denied. You had essentially the same level of rebate on your original formula. Now you have got a margin, penalizing the poor municipalities.

Hon. Mr. Bales: I do not think that is the way. You can argue it that way if you wish to, but the fact is—

Mr. MacDonald: I am not arguing; the facts speak for themselves.

Hon. Mr. Bales: —that each property today receives a credit of \$30 whatever the value of that property and I think it is important that they should all get some deduction in their tax and some assistance. I think if you actually looked at the average house there, and you picked York township—and their assessments are not as low as you indicated, I do not think, on an average—but there are a number of small homes up there and I think that they have benefited more under this system than they would have under the original system. And if you looked at the total moneys paid to them in this way, I think it is greater.

The point you are making of course is that some people are getting a greater amount than they did previously, that there used to be more uniformity than there is today. Well you may argue it that way, but on the other hand I think every household is getting some additional assistance under this scheme than under the last.

Mr. MacDonald: Yes, but the minister is ignoring the totality of his programme, and the totality of his programme is that you have X number of dollars for tax diminution programmes and now on your revised formula you are using a greater proportion of that money to assist the richer municipalities and a lesser proportion to assist the poorer municipalities. Now, if that is implementing tax equity, then the English language has lost its normal meaning.

Hon. Mr. Bales: But there is a basic payment to all municipalities.

Mr. Lawlor: You got your base; you worked in a distinct proportion.

Mr. Chairman: Vote 1407. The member for Waterloo North.

Mr. Good: First of all, I would like to just add one point to the matter of the residential property tax reduction programme and that has to do with the new formula as developed in the last amendment putting the limitations of 50 per cent of the taxation being the maximum amount of refund that may be made.

Now we have found in the past year that many people living in small quarters—as an example, above stores on the main streets and in modest dwellings—were in apartments which did not generate enough taxation for that tenant to receive the full rebate. So here we have a situation on the individual level where the people, because of economic necessity, were living in small quarters, and whose need was perhaps the greatest were not receiving the full amount of the tax benefit simply because that apartment was assessed at a rate which did not generate sufficient tax.

Now, I am suggesting, Mr. Chairman, that the assessment in certain buildings did not represent equal amounts for each apartment in relation to the size or the value of that apartment towards the whole. I think the assessment of the whole building was perhaps correct in many cases, in the case of stores along the main street of a town, part of the building is assessed as commercial and the other part is residential, and while the total may be correct, I think that in some instances—and one which I had reference to—where people were, in fact, getting the same amount of rent, one was receiving the full rebate and another one was not receiving the full rebate.

So I would ask the minister that he look into the situation, because we are here discriminating against people who live in very minimum type of housing, especially in rented quarters, and these are the people who, in fact, need the rebate the most, and in some instances were not getting a full rebate. I think that the intent of the bill, the purpose of the bill was that all should get the rebate, and I do not think that when the amendments were put through that this thought was really taken into mind that some tenants would not get the rebate because of, maybe, variances in the assessing procedure which had been done on that building, perhaps, some years ago before such a thing as a residential property tax rebate had ever been thought of.

Mr. Chairman: Would the minister comment on that?

Hon. Mr. Bales: I think this is really a problem of assessment that you are raising,

and that hopefully will be corrected by uniform assessment. The arrangement is that the residential tax rebate shall be the product of the formula but not to exceed 50 per cent of the municipal and school taxes on the property. I find it only reasonable that every property should bear some cost, or some amount, toward municipal service, bearing in mind that the province itself contributes a very large amount toward the cost of services in every municipality. I think every property should bear some charge, or some portion of the charge toward that. And if it is by reason of the fact that it is a very low tax—it is limited to 50 per cent of the tax rather than whatever the calculation of residential tax rebate is—I do not think that is an unfair situation. But primarily the matter you have raised is one of assessment. If the assessed value of that particular apartment is out, then I am sure it will not be corrected under this system.

Mr. Good: Well, Mr. Chairman, I cannot accept the minister's argument that he thinks every property should bear some tax, because we have put through enough tax reduction legislation, both public and private, in the past year or two, that I am sure some properties in the cities of Toronto and Windsor where private legislation permits the refund to elderly citizens, will be paying no property tax whatsoever. I have no argument with that.

Hon. Mr. Bales: It is paid by the people themselves throughout the municipality.

Mr. Chairman: The member for Cochrane South.

Mr. Ferrier: Thank you, Mr. Chairman, I would like to address a few remarks on the mining revenue payments which come under this vote.

The Association of the Mining Municipalities had a meeting on Saturday in Matheson, and they were rather disappointed that no cabinet ministers could be present to discuss the new programme with them. However, the minister had sent Mr. Eric Fleming of his department to discuss some of the facets of the new formula with the municipal officials from the mining revenue payments.

For a great many years, the mining municipalities of northern Ontario and of this province have not received sufficient from the province to offset the cost of municipal services that they had to pay because it was impossible to municipally assess the mining properties; and there has been a great resentment in the mining municipalities that they

have never got their fair share from the province. This year when the minister brought in a reform formula to enable the municipalities to get a better return, there was a great deal of satisfaction, I might say, amongst the members of the various municipalities.

I know in my own riding that some of the municipalities got considerably more and there has been a great deal of satisfaction about that; and some of the things that have been postponed for a number of years are now going to be proceeded with without having to jack the taxes up a great deal.

It is interesting that a Minister of Municipal Affairs from the south has been able to help us in the mining municipalities in a way that a minister from our own area was not able to do when he was in that particular portfolio.

Mr. Deans: Very good. How about that?

Mr. Ferrier: The main problem that arose from that meeting on Saturday was the fact that these payments have got to be phased in over a three-year period. They had hoped that this money that was allotted this year would be available for all the municipalities and that they would not have to wait over the three-year period. They felt that this was going against the principle that the minister had laid down in the deficiency payment. After a meeting to consider the minister's new formula, the executive of the association wrote to the minister and expressed their concern that this was deferred, and that it would have to be phased in over this three-year period.

The minister or officials of his department gave the members of this association to believe that it could not be phased in completely this year, but he would consider bringing it in in its full amount next year. At the meeting on Saturday, they passed a resolution to request the minister not to wait for two years but to bring it in in its full amount next year.

I would like to reinforce their resolution and ask the minister that this amount be brought in next year and that we not be kept waiting for another two years before we get the full benefits of the new payments. I think that it is not what I would call adequate, but it is a great step forward, and one has to commend the minister for moving in this regard.

There is an extra \$400,000 budgeted for, but I gather that probably more than this will have to be made up from grants for educational purposes. I do not know why the minister could not proceed to bring it all in in this one year. There is about \$700,000 or

\$800,000, I believe, that is not specifically budgeted for purposes this year, that is left for contingencies.

One of these might be a situation that has developed in the township of Tisdale where the Province of Ontario assessed the two gold mines in that area, namely the Dome mine and the MacIntyre mine, and they were levied taxes and then the mines appealed them successfully to the assessment review court.

I understand that The Department of Municipal Affairs was rather unhappy with the decision that court took; it felt the three members on that body had overstepped their mark in making the decision that they did make, and that The Department of Municipal Affairs itself had proceeded to appeal to the district court. At present, the matter is before the district court judge, as I understand it, but he has not made his decision yet.

The thing that the township of Tisdale is worried about is that if those two mines successfully appeal their assessment and their taxes are reduced considerably, will the mining revenue payments come into force to make up any deficit that might result from the township having to pay back to those two mines the taxes that they have already collected. They have not been able to get a commitment in writing from the department.

They are reasonably assured in a verbal manner that the department will make up the deficit, but they have not got it in writing and they are somewhat concerned. So I hope that the minister will be able to give them that kind of an undertaking in writing to be assured that they are not going to be losers should these mines successfully proceed with the appeals that they have made.

Another couple of points: I understand for the next three years that the mining municipalities will have to submit their budget and spending plans for that period to the department, so that the department will be required to exercise a greater review of their budgets than they otherwise would do, so that they will not spend more than would normally be expected of them.

I think that this is exercising a further degree of scrutiny and control over the mining municipalities of this province, and I really question the policy here as to whether Queen's Park is exercising more and more control over these various municipalities. They are having less autonomy under this new scheme than they have had up to the present and there has been enough resentment about the control exercised by Queen's Park as it is.

Another question that was raised by one of the members from the Levack area was: What assessment roll or what figures as to population would be taken in the calculations that were made? He was of the opinion that the assessment figures that had come back were out by about 400 and that it would affect the calculations they would be receiving. I think that somehow or other there has to be a fairly accurate count made of the population in these municipalities so that when it comes to calculating these payments, it is made on a fairly accurate basis.

I think these were the main things that came out of that meeting. I would like to reiterate that at the next meeting which will be held in some six months' time, surely, a cabinet minister can be present at that particular meeting.

Mr. Deans: We will send someone.

Mr. Ferrier: We will send someone, as the member for Wentworth says. I do not care who is the government. I think there must be a cabinet minister at that next meeting.

Mr. Nixon: That is the attitude.

Hon. Mr. Bales: Mr. Chairman, I was present at a meeting in Timmins with the hon. member. I think it was on April 30. I went into the matter of the mining revenue payments before many of the same people who were in Matheson last Friday. I regretted I could not go but I had other matters on. I was very pleased that I could send, or at least ask, one of the senior officials of the department to go and I think he did very well.

Mr. M. Makarchuk (Brantford): You should have sent the member for Nickel Belt (Mr. Demers). He would have taken it there.

Hon. Mr. Bales: On the matter of phasing in the payments over a shorter period, rather than three years; you have to bear in mind that in working this out for a three-year period we used a higher average assessment than exists at the present time. We used a figure of \$10,000, whereas the present average assessment is about \$8,150.

If, of course, we were to do it all at the present time, we would have to use the actual figure which would have a serious effect on some of the payments that would be made to municipalities. You have to measure the results. You cannot inflate the figure, anticipating doing it over a three-year period and at the same time, pay it all at one point. If

you are going to do it that way, you have to use the actual average assessment figure.

There are certain assessments that are under appeal at the present time. The hon. member asked for assurance on my part that we would, in effect, honour those assessments when they were made and recalculate the payments. Once the decision is given and the assessment is final, the formula takes over. There is no need for any assurance on my part.

It would simply be a recalculation on the basis of the actual formula in the provision. The municipalities would be paid those moneys and we do have to keep certain reserves to meet those additional payments once the assessment appeals have been finalized.

You raised a point as to the figures that may be used; that some people in some areas felt that perhaps the proper figures were not being used. Actually the basis of population is the same as is used for the unconditional grant—that is, the census figures from the federal government not the assessment figures taken from our own department.

In reference to the matter of local budgets, the department has always reviewed those budgets. We are asking the municipalities to do some forecasting and I think that is a good thing because this will help them in their economic planning. It is done in other areas and I think we should encourage them to deal with anticipated budgets and see what their expenditures might well be over a period of three to five years in advance.

Mr. Chairman: The member for Hamilton Centre.

Mr. Makarchuk: East.

Mr. Chairman: Hamilton East, I am sorry.

Mr. Gisborn: Yes, Mr. Chairman. I want to engage the minister for a bit, through you, in regard to the residential property tax rebate. I want to appeal to the minister to look at the Act and the regulations, as I explain to him what I think has happened and what is happening, at least in Hamilton. I have not noticed from the press that the same thing is happening in other areas.

What is happening is that some shyster landlords have used their legal people to find a loophole in the regulations to deprive certain of their tenants of apartment buildings of all or of part of their rebate. I would remind this minister that when the previous minister (Mr. McKeough) introduced this bill in 1968 he said—from Hansard the top of page 1805:

The committee on taxation concluded that property taxes were necessary, but recommended that the provincial government take a new step to ease their burden, especially on the people who are least able to pay them. Specifically, its recommendation was a system that would "assist residential taxpayers and at the same time reduce the undesirable regressivity of the property tax."

Now, Mr. Chairman, one has to admit there are large numbers of those in the low income group and on pensions that this rebate really helps; those with their little homes, single domiciles. Of course the other more affluent group in their own private homes receive the rebate without any problem. A great many of those who were on low incomes and also locked into high-priced apartments because of the lack of housing over the last five or six years, have been taken in by many of the landlords, some of whom are unscrupulous in their approach to the rights of the tenants.

I first want to give a report—and it is relevant I think—of the city of Hamilton Landlords and Tenants Advisory Bureau, established under The Landlord and Tenant Act, on the number of inquiries received between November 19, 1970, and January 29, 1971. The breakdown shows 1,127 complaints were handled and of those, 633 were in regard to the tax rebate.

Just as an example—which applied for many hundreds of others—is a statement given to a tenant by his landlord showing his tax rebate for January 1, 1970, to December 30, 1970, as \$44.64—that was what he was entitled to for that period—less assessment increase in taxes \$24.84, and he gets an amount of \$19.80. Now that kind of deduction was made in many cases and it averaged from \$19 up to some \$40 of the total amount. Another example was of a \$59.67 rebate of which the person received only \$21.78.

I want to refer the minister to the legislation that is now under his jurisdiction. Subsection 3 of section 4—and that is the part where reductions may not be assigned or waived—says:

The right of a tenant to receive the reduction of municipal taxes mentioned in subsection 2 is not assignable, and may not be waived before or after this Act comes into force.

And of course the regulations tell us that. In regulation number 6 in the general regulations it says:

Where any portion of the rent is in arrears, when the tax reduction allowance is payable the landlord or his agent may

pay the tenant the tax reduction allowance by deducting the amount thereof from such arrears as rent.

Now the loophole that the shyster landlords have had their lawyers work for them is that they get the tenants to sign escalator clauses in their leases, which I believe might be—and it is not in your jurisdiction—a violation of The Landlord and Tenant Act, and I will leave that for another time. But this section of their addenda and schedules does apply to this portion of your legislation.

I have here an 11-point addendum to a lease signed in January, 1970, after the Act came into force, and the one section says this among other things: that tenants agree that the rent for the additional year's lease will be adjusted to cover any increase in Hamilton city taxes and any cost-of-living increases as compiled by the Dominion Bureau of Statistics.

They are getting pretty mean when the landlord wants to apply the increase in cost of living, such as food, fuel, appliances and other things, to the rent of his tenants. But that is what happens, and in this matter there has been a court case. There is one case in Hamilton that established the runaway ideas of using this type of rent escalation, making the tenant sign a lease saying that he would pay any increase in taxes.

The judge ruled that when they sign that escalator clause that they will pick up any increase in taxes, knowing that the tax rate is not set until some time in April, they then deem that when that lease is signed at any time after the tax rate is set, then on January 1 one-twelfth of that tax rate increase is in arrears; it is tax in arrears. Naturally, when the date to pay the rebate comes they are then 12 months in arrears for that amount of money. Under that section the judge ruled that the landlord could withhold the rebate. This loophole has to be closed.

I feel that the minister will have a chance to talk about it.

The other thing I wanted to mention that the minister has to pay some attention to—and he may have to discuss this with his colleague the Attorney General—is the unsympathetic approach to these bylaws by the county judges. They just do not have time or want to bother with problems of the landlord and tenant. I am going to send over to the minister a copy of two cases which took place in the same court on the same day. It sort of rocks you, and I will read it for the record.

Something that has never happened before as far back as court officials could recall happened not once but twice yesterday in bylaw court. In both cases, landlords were charged with failing to pay tax rebates in accordance with The Residential Property Tax Reduction Act, 1968. In both cases, while tenants were in the witness stand giving testimony, the landlords produced receipts signed by the tenant, showing that the rebates had been paid in full and on time.

In the first case, Diane Petch of Robbins Avenue said, "It is a very good copy of my signature but I did not sign it."

Her former landlord Angelo Trotti of Chestnut Street said, "I paid in cash and got this receipt from Mrs. Petch."

"How can I tell who is telling the truth?" Judge Robert Morrison asked. "Case dismissed."

A few minutes later, the scene was re-run, this time with Manley Warren of Main Street East. Gazing at what appeared to be his signature on a document, he said he was certain he had not signed.

The landlord in this case was Leonardo Argo of John Street North.

"If this is not your signature, you will have to get a handwriting expert and sue Mr. Argo," Judge Morrison stated. "I cannot do anything about it. This is the second time this has happened," the judge added. "I do not know if the landlords are copying signatures and perjuring themselves or not."

Sergeant Paul Hirst, bylaw court officer, said that unless initiated by the former tenants, no charges would be laid against the landlord. "I have checked back as far as I can and this is the first time it has happened," said Sergeant Hirst. "It seems likely that tenants simply forgot they had received the rebate."

As a layman, I am not a lawyer and I do not know whether my assumption is right, but I would have thought that it would have been the responsibility of the judge or the responsibility of the prosecuting attorney to adjourn that case immediately and have handwriting experts determine who was telling the truth. It was either perjury or fraud, on one side or the other. But because of what I think is apathy and the judge finding these cases to be a nuisance, they dismiss the cases as quickly as they can.

I will give you another example, and this is another example of the attitude of the board:

When friends visited John Cheeseman's Dunsmure Road apartment they told him it looked like something out of book. But Mr. Cheeseman was forced to move from his apartment when the hydro bill became too expensive.

"I was paying enough hydro for the whole building," he said. When Mr. Cheeseman asked his landlord, E. R. S. Murray, for his tax rebate, "he told me to drop dead," said Mr. Cheeseman.

But while on the witness stand in bylaw court yesterday claiming his tax rebate under The Residential Property Tax Reduction Act, 1968, Mr. Cheeseman failed to mention how much he believed Mr. Murray owed him. "He either forgot to tell me, or he did not know," Judge Ross Bennett declared. "Case dismissed."

"Your honour, may I approach the bench?" asked Mr. Cheeseman, from the body of the court. "Sorry, Mr. Cheeseman, you are too late," said the judge.

I spoke to the person involved and he said that he had proof in his hands of what they owed him, and all it took was one second for him to explain to the judge, or hand it to the court clerk and his case would have been founded.

I ask the minister to take this kind of problem to the Attorney General. I will raise it myself, if I get the opportunity in his estimates. But I think it is the responsibility of this minister to close the gap in that regulation to make sure that the tenants get their rebate and that that clause in his regulations cannot be interpreted as providing an out for the landlord under an escalation clause agreement on the tax increase.

I think our intention was that tenants get that rebate without any reason whatsoever for holdout. They shall not have any right to assign or waive. There are many hundreds and thousands in Hamilton who have lost part or all of their rebate and they have no recourse.

I want to give another example of how the landlords have violated it when they have taken in tenants who are pushed hard to get dwellings. One case was where a chap was asked to sign a paper in 1969 that he would give up the complete rebate for 1969, which he did under duress to get an apartment.

In the fall of 1970 he applied for his rebate under normal terms and the landlord showed him the paper which he had originally signed to waive the rebate for 1969. The landlord had just written underneath the signature "1970." Of course he conned the tenant into thinking that this would hold up in court, and the tenant then had to forego his rebate for 1970 as well.

I think our intention is that when a landlord signs a lease, or has a tenant sign a lease, that is the fixed rent for the period of the lease and the only time that the regulation stipulated under department regulations can be interpreted as an arrears is when that regular monthly rent mentioned in the signed lease is in arrears.

I would ask the minister to do something about this particular situation, so that this year all of the tenants in this squeeze position between those who have their own private homes on the lower end of the scale, who are those who really need this rebate, and those more affluent on the other end of the scale who get it in their private homes. I ask him to see to it that the tenants of apartment buildings get it and that we just do not provide an automatic rent increase for a lot of unscrupulous and chiselling landlords in this province.

Not all of them take advantage of it, but it has become the pattern in Hamilton because they have found a legal loophole, and I am afraid it will be exercised to the fullest this year.

Hon. Mr. Bales: Mr. Chairman, the hon. member raised or cited certain examples which could well involve forgery and fraud. We both appreciate that the person, if found guilty of that, and it would be up to the Crown attorney in the area to press that charge or to decide on it, opens himself to a very serious charge under The Criminal Code. I recognize these things may be done, but the persons who are doing it should recognize the difficulty in which they put themselves.

On the matters the member referred to just a moment ago under subsection 3 of section 4, and I just quote it:

The right of a tenant to receive the reduction of municipal taxes mentioned in subsection 2 is not assignable and may not be waived before or after the Act comes into force.

So the tenant is not free to waive that benefit.

Mr. MacDonald: What is the minister going to do about it?

Hon. Mr. Bales: Under the provisions of the Act, there are certain penalties against an individual who induces that kind of thing. If necessary we will have to consider bringing charges if we find it being done.

Mr. MacDonald: What is the minister going to do about these cases?

Mr. Chairman: The member for Timiskaming.

Hon. Mr. Bales: In those cases, that are—

Mr. MacDonald: No, Mr. Chairman, we have not finished.

Hon. Mr. Bales: Just a minute.

Mr. Gisborn: That is the question, as I said. There has been a judge's decision that the escalator clause signed by a tenant—

Hon. Mr. Bales: Now the member is talking about two things. One is an escalator clause. The member is also talking about certain waivers.

Mr. MacDonald: Right!

Hon. Mr. Bales: They are two different things.

Mr. Gisborn: Let us deal with both.

Hon. Mr. Bales: No. The escalator clause may be somewhat different and we may not, without some change in regulation or otherwise, be able to deal with that because I think the escalator clause—

Mr. Jackson: Then make the changes.

Hon. Mr. Bales: We are looking at this. The member has raised some points and I will check into them.

Mr. MacDonald: Was the minister not aware of this before?

Hon. Mr. Bales: No; I was not aware of the escalator clause. I have known about the waiver situation and some people being induced to sign waivers. But this escalator matter is a different one that I personally have not known about previously.

Mr. MacDonald: But the minister is permitting himself to be taken in by a legal dodge.

Hon. Mr. Bales: No, no!

Mr. MacDonald: The escalator clause is only a means to get the tax rebate waived. They happen to tie it to the cost of living—

Hon. Mr. Bales: And increase in taxes!

Mr. MacDonald: —but the net effect of it is that the tenant is being forced to waive his tax rebate. The minister has just reminded the House that this is contrary to the Act.

Hon. Mr. Bales: I am not sure that it is not contrary, but there is some question in my mind and questions in the minds of the officials.

Mr. MacDonald: All right then, let us leave that rest for a moment. I can remember when the minister's predecessor brought this monstrosity into the House and there was trouble breaking out in all directions with regard to the obligation on tenants to seek what they were entitled to. The then minister's plea was: "Just get in touch with us. We will take the necessary action." What I am suggesting to this minister is that he is—

Hon. Mr. Bales: We do.

Mr. MacDonald: —guilty of a breach of faith. If he does not know that this kind of thing is going on, he is asleep. He and his department are asleep.

Mr. Makarchuk: So what is new?

Mr. MacDonald: We have had court decisions in which the judge—this is the incredible part of it—is in effect rendering a nullity the statutes that the government has brought in, presumably to reinforce its own legislation. And the minister does not even know about it.

He should not shake his head that he does not know. The fact of the matter is that it is taking place.

It is one thing to have a citizen violating the law. It is another thing to have judges sitting on the bench violating the law in this sort of a haphazard fashion.

You know the conclusion that emerges, Mr. Chairman, is that here is final proof that the procedure the government is using for its so-called tax reform programme and reduction in taxes is the most inefficient, inequitable kind of procedure.

Hon. Mr. Bales: That is not the case.

Mr. MacDonald: I am saying that it is the case, and I have the right to say it is the case. I can get a lot of municipal people and a lot of citizens across this province to say so. Instead of going through this elaborate administrative procedure of rebates, the minister

should make larger grants available to the municipality.

However, I just make that as an aside. I come back to the proposition that here the minister has in one city—and in varying ways this is happening all across the province—a violation of the government's own statute and the minister gets up and says he does not even know it is going on.

Mr. Chairman: The member for Hamilton East.

Mr. Gisborn: I want the minister to give me assurance that I am right, that the no assignment, no waiver clause can hold; that the fact the landlords are having tenants sign escalator clauses openly and admitting that, is their way to receive an increase in rent; that when there is an increase in taxes when the taxes are brought down, that then becomes an arrears in rent based on one-twelfth for each month, and when the time comes to pay the rebate they deduct that amount.

I will just give the minister a quote from one of the members of the Apartment Owners Association in Hamilton, one Mr. Walker. He said:

The tax escalation clause is the only way apartment owners can cover the cost of the building. As taxes go up we lose all our profit. It is the most legal thing in the world to raise the cost of the product if its costs go up. We have got to get this money back.

Mr. McMillan, secretary of the Hamilton Landlords and Tenants Advisory Bureau, says that it is being done, but he says it is legal because there has been a court decision made. And the only way we can stop them from doing it is for the minister to change that little section in his regulations.

Hon. Mr. Bales: We may have to change—and I will look at this carefully. The escalation clause is one thing, but what we are really concerned with here is that the payment of the residential tax rebate to the tenants is not used up in meeting those other matters.

They may somehow get those into the lease—but our main point here, and the point that you have raised, is that this money should be paid to the tenant. Now that part of it may require a change in our regulations. That we will look at.

Mr. Gisborn: That is right. I do not think we can go much further. If we make sure they get the full, entitled rebate passed on by

the municipal council, then their signing of any kind of a document is up to them, whatever they sign. But the landlord then has to get that from them in another manner, or by a new renewal of lease which is set out in The Landlord and Tenant Act. That will give them sound protection.

Mr. Chairman: The member for Timiskaming.

Mr. Jackson: Yes, Mr. Chairman, I have two points to make. First of all, just a few minutes ago the minister said that using the \$10,000 figure for equalized assessment in calculating the mine revenue payment was not the true average, and that \$8,100 was the true average.

I would venture to say, Mr. Chairman, that in arriving at \$8,100 he took into account the assessment in cities like Toronto, Windsor, London, and that if he really took into his sphere of thought those communities in northern Ontario that never have assessment of that level, that the \$10,000 is much closer to being a true average in northern Ontario, rather than the \$8,100.

Hon. Mr. Bales: I am sure you would find the average assessment up there is below the average in the province; in other words, it is less than \$8,100.

Mr. Jackson: Okay. Then we would arrive at a greater deficiency. But what the minister is saying is that we would end up with a smaller assessment in northern Ontario.

Hon. Mr. Bales: A smaller payment.

Mr. Jackson: That is fine, but he also has not taken into consideration the lack of services that presently exist in northern Ontario. If he were to consider in relation to the assessment the services that are lacking; then he would realize in order to make up the deficiencies that now exist between mining communities in northern Ontario and those communities that have had a reasonable assessment base over a period of years, he would realize the deficiency is much greater than is reflected by the assessment that has been arrived at. That is the only point I want to make there.

Several weeks ago, Mr. Chairman, I wrote to the minister concerning the residential tax rebate as it applied to those persons in an unorganized territory. In an unorganized territory we pay a school tax, and because we have no organized municipalities we pay into a local roads board or into a statute labour

board for the maintenance of roads in the areas.

But when you take the school tax and add to it the payments that are made into the local roads board or the statute labour board, you arrive at a total tax figure that is sometimes in excess of what would be paid if that person lived in an organized municipality. Yet when the tax rebate is paid it applies only to the school tax, so that they receive a much lower tax rebate than a person who lives in an organized municipality.

The minister's answer to my queries was that because the Ontario government pays a subsidy on the local roads board or on the statute labour board, they were receiving something extra from the Ontario government. But what he failed to take into account is that if a person lived in an organized municipality, the organized municipality would be receiving a grant from the government for roads purposes which would be used to reduce the taxes to the municipal taxpayer. That is not true in an unorganized municipality.

So there is an air of discrimination that that person, because he lives in an unorganized township or an unorganized area, receives a much lower tax rebate than he would if he lived in an organized municipality. And the fact that the government subsidizes the roads board really has no bearing on it, because they subsidize roads in all of the organized municipalities around Ontario. It is my opinion that that person is being discriminated against because he just happens to live in northern Ontario and live in an unorganized area. I would like some comments from the minister.

Hon. Mr. Bales: A residential tax rebate up there is calculated only on the school tax because that is all they are really paying. The rebate is in reference to municipal tax, and the taxes that you are referring to are really provincial land tax. It is not a municipal tax since it is not an organized township. And you may say: Well, it is tax in any event and therefore the rebate should be paid. But under the provisions of the Act, it is an assistance to those who are paying municipal taxes and the provincial land tax would be substantially lower than it would be in the organized areas.

Mr. Jackson: Mr. Chairman, that is my very point. What the minister is saying is that is the way the Act is written. I agree that is the way the Act is written, but it discriminates against people in an unorgan-

ized territory. If you add together the school tax, plus the provincial land tax—and I had mentioned that previously—plus the local roads board tax, you end up in many cases with a total tax that is far in excess of what that person would be paying if he lived in an organized township. And if we are really going to have equity in taxation, then surely he deserves a rebate based on his total taxation, the same as a person in an organized municipality. And to say that just because the Act does not allow it—then we change the Act, we make provisions so that we can have equity in taxation. I just cannot accept the minister's answer, and most people in unorganized townships cannot accept it.

I would say to the minister that his answer is the easy way out, but the real way out is to take the total taxation that a person pays and then pay the rebate based on that total taxation, not just based on what would happen in an organized municipality.

Mr. Chairman: The member for Waterloo North.

Mr. Good: Mr. Chairman, I have a few quick questions relating to the last section—tax diminution section. Could the minister inform me, is the \$8.65 million charged to The Assessment Act for payment in lieu of taxes for land held by the Crown in the right of the Province of Ontario, or what is that?

Hon. Mr. Bales: Just a minute until I look through it.

Mr. Good: Page 225, third item.

Hon. Mr. Bales: The item there is \$8.65 million. I am advised that \$650,000 of that is in reference to taxes on Crown-owned timberland—it is tenanted property, rather than timbered property. The other \$8 million is mining revenue income.

Mr. Good: Would the minister refresh my memory as to The Municipal Tax Assistance Act, \$5 million. What is that payment?

Hon. Mr. Bales: This is payment in lieu of taxes on non-tenanted property of the Crown.

Mr. Good: Owned by the Crown? The statutory appointment section there, to the municipal district of Muskoka. I am aware of the \$200,000 with \$100,000 for the pollution abatement programme and \$50,000 for each of planning and administration. What is the other \$15,000 in that item?

Hon. Mr. Bales: I think that really represents moneys paid for administration, including certain salaries paid—the chairman and so on.

Mr. Good: I do not recall the use of funds that were in the statutes for the other regional governments as shown there. What were they, please?

Hon. Mr. Bales: I think those are certain administrative costs, including some salaries.

Mr. Chairman: The hon. member for Brantford.

Mr. Makarchuk: I just want to talk very briefly on the provincial and municipal incentive programme. I realize that the programme was developed in The Treasury Department and that you are responsible for administering the programme.

Just to demonstrate how rather silly and ridiculous the programme is in terms of providing substantial work for Ontario; in one municipality as a result of the programme the municipality hired workers in the parks department. The result was that the workers had to go and buy special protective boots that cost in the vicinity of \$25 or \$30. After they went and purchased the boots and received their first pay cheques they found out that the cost of the boots was deducted from their first pay cheques.

The result has been that a lot of the workers decided to leave the programme because they were rather annoyed about the way they were being treated. They worked for two weeks and they came out of it with very little money. Now there is another batch coming in, and they will be getting boots. So there is very little employment provided for the workers in the immediate vicinity.

But I suppose, assuming that the boots are made in Canada, the minister did provide employment for the people who are manufacturing the boots. Hopefully, in the future when you are thinking of some kind of a provincial-municipal employment incentive programme, you will reason it out in a greater depth and look at it ahead of time before you go into some of these silly endeavours, as in this case where you are spending \$7.5 million.

Hon. Mr. Bales: Mr. Chairman, I am glad the hon. member raised this question, because I have recently had reports on the amount of money we have been able to make available to the municipalities. We offered

it to them on a per capita basis. We have been able to use up practically all of the \$7.5 million. We have had requests from a number of municipalities for additional moneys and we have been able to meet some of those by using moneys not taken up by other municipalities. It has created a good deal of man-days of employment for people throughout the province. I think it has been a very good programme and has helped relieve the unemployment that has been facing a lot of areas.

Mr. Makarchuk: On the same point, Mr. Chairman, there is no doubt that it may have created employment, as in this case in the boot factory, assuming it is located in Canada. But the point is that if you are going to go about creating employment programmes, then surely you could give more thought and consideration to them and sort of decide what the implications will be of this particular programme and how it will really benefit the municipalities instead of just hiring a group of people who will be wandering around with well-protected feet, I may add collecting twigs and branches. This is a make-work programme. Exactly what the long-range benefits to the municipality are is very nebulous; it is very difficult to decide.

Mr. Chairman: Vote 1407. The member for Wentworth.

Mr. Deans: Yes, thank you, Mr. Chairman. I understand that we could discuss OMERS now? This is the end?

Mr. Chairman: Let us finish 1407 first.

Mr. Deans: All right. That is the end of the vote, though?

Mr. Chairman: Shall vote 1407 carry?
Vote 1407 agreed to.

Mr. Chairman: The member for Downsview asked to spend a few moments to ask a few questions on OMERS and the minister agreed. We have about two minutes left, would that be sufficient?

Mr. Deans: The member for Downsview is not here.

Interjections by hon. members.

Mr. Chairman: I meant the member for Riverdale (Mr. J. Renwick).

Mr. Nixon: He is not here. Where is the member for Riverdale?

Mr. C. G. Pilkey (Oshawa): He is with the member for Downsview (Mr. Singer).

Mr. Nixon: I would not doubt it.

Mr. Chairman: Is the minister willing to answer a few questions?

Mr. Deans: One minute. I want—

Hon. Mr. Bales: Yes.

Mr. Chairman: All right the member for Wentworth on OMERS.

Mr. Deans: You are taking up time, we could be finished.

Interjections by hon. members.

Mr. Deans: I want to ask the minister first of all if he can tell me what percentage of the total number of municipalities in the Province of Ontario is now enrolled in OHSIP? In other words, what percentage of the total potential enrolment do we now have?

Mr. Pilkey: In OMERS!

Mr. Deans: Sorry; in OMERS!

Secondly, on page 22 it shows the financial statements of the programme. It shows debentures due in 1973, one at five per cent and one at 6.5 per cent for a total of \$148 million. It looks like close to that anyway. It says, though, in the note that on December 31, 1973, the five per cent and the 6.5 per cent debentures are to be exchanged at par for debentures in the year 2013 bearing the same rates of interest.

I want to know why it is that these debentures are going to be reinvested bearing interest at five per cent and 6.5 per cent when the rate of interest now available for debentures due in the year 2000 is 9.1 per cent. Now what possible reason can there be for this? It is 9.1? It has got to be 9.1.

Hon. Mr. Bales: To the member's first question about the number of municipalities, or the percentage of them, approximately 80 per cent are now enrolled. In reference to the—

Mr. Deans: Is that 80 per cent of the total number of employees or 80 per cent of the municipalities?

Hon. Mr. Bales: Of employees.

Mr. Deans: Employees.

Hon. Mr. Bales: In reference to the second matter, there was a change in the provisions in the legislation to permit it to be the average, I believe, of the municipal borrowing rate over the last year.

Mr. Deans: That is 9.1 per cent.

Hon. Mr. Bales: I am advised, in reference to these debentures, they were initially for a 45-year period and that, consequently, in 1973 they remain under that 45-year period. Why they are being changed over to a new debenture at the same rate at the moment. I have not ascertained, but I will check on it.

Mr. Deans: Would the minister find the answer and perhaps answers in a statement at some point?

Hon. Mr. Bales: I think I can find the answer right now.

Mr. Good: Mr. Chairman, how can they become due and be reissued at the same rate? If they are due and reissued they would have to be at the new rate, would they not?

Mr. Chairman: Mr. House leader?

Hon. Mr. Bales: The difficulty here is that there were a number of debentures and they are simply being changed over into one debenture instead of a number of individual—

Mr. MacDonald: Like your friendly finance company, they are being consolidated.

Mr. Chairman: We will have to rise now; it is 10.30. The estimates of The Department of Municipal Affairs are completed as far as the votes are concerned.

Mr. Haggerty: Mr. Chairman, I would like to ask a question pertaining to OMERS. My concern, Mr. Chairman, is that there is a number—

Mr. Chairman: The votes are completed, and at 10.30 we have no authority to be sitting beyond this time. Perhaps you can get the information later.

Hon. Mr. Chairman moves the committee rise and report.

Motion agreed to.

Mr. Chairman: Mr. Speaker, the committee of supply begs to report it has come to certain resolutions and asks for leave to sit again.

Report agreed to.

Hon. A. A. Wishart (Minister of Finance and Commercial Affairs): The next estimates to come before the House were to be those of the department of the Treasurer (Mr. McKeough), but I think in view of the conference this week he may not be available on Thursday. I would anticipate the estimates of the Attorney General (Mr. A. F. Lawrence) will be next.

Mr. R. F. Nixon (Leader of the Opposition): The minister persuaded him to present his estimates.

Hon. Mr. Wishart: However, I think what we shall do on Thursday is some of the items on the order paper in the way of legislation, second readings and one or two bills in Committee of the Whole House which I should like to see go forward.

The bills, which are under the name of the Prime Minister (Mr. Davis) as I mentioned before, I believe will be carried in the debate here on second reading by the Attorney General. That is my anticipation.

The Attorney General also has two bills, items 11 and 12 on the order paper.

The Provincial Secretary (Mr. Yaremko) introduced two bills today which he anticipates might be ready to be presented for second reading, possibly before the end of the week. I would like to get as much of the legislation forward as possible. There being only two bills, I do not think I can specify more than that.

Mr. D. C. MacDonald (York South): Do we take it that it is definitely the Attorney General's department and not Treasury until next week?

Hon. Mr. Wishart: What I am trying to indicate to the members is that I hope to—

Mr. Nixon: The Attorney General wants to go last.

Hon. Mr. Wishart: No. It is very hard for anyone to stand here and know how long members on the opposite side of the House are going to take on any particular matter on the order paper.

Interjections by hon. members.

Mr. MacDonald: That is not our question. Our question is which estimate is next? Definitely, for sure!

Hon. Mr. Wishart: It is hard to determine how long members will take with the matters of legislation. Therefore you may not reach the Attorney General's estimates until possibly Monday. I would anticipate they would be next instead of the Treasurer.

Mr. Nixon: Unless of course, the Treasurer goes first.

Mr. MacDonald: When we get to Monday, it could be the Treasurer.

Hon. Mr. Wishart: It could be.

Mr. MacDonald: I knew there was a certain ambivalence in that! I knew it.

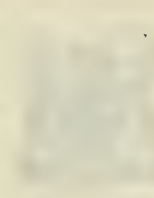
Hon. Mr. Wishart: Therefore it is in the members' hands.

Mr. E. W. Sopha (Sudbury): Come on! Let us go home!

Hon. Mr. Wishart moves the adjournment of the House.

Motion agreed to.

The House adjourned at 10.35 o'clock, p.m.



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ONTARIO

Legislature of Ontario Debates

OFFICIAL REPORT — DAILY EDITION

Fourth Session of the Twenty-Eighth Legislature

Thursday, June 24, 1971
Afternoon Session

Speaker: Honourable Fred McIntosh Cass, Q.C.

Clerk: Roderick Lewis, Q.C.

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LEGISLATIVE ASSEMBLY OF ONTARIO

THURSDAY, JUNE 24, 1971

The House met at 2 o'clock, p.m.

Prayers.

Mr. J. E. Bullbrook (Sarnia): Mr. Speaker, I rise on a point of order. Mr. Speaker, the point of order that I ask you to consider is the propriety of the ruling made by the member for Renfrew North (Mr. Hamilton), Chairman of the Committee on Natural and Physical Resources, on May 11, 1971. I would refer you, sir, to Hansard S-9, during the course of the estimates of The Department of Energy and Resources Management at page S-225. With your permission I will read—

Mr. Speaker: May I point out to the hon. member that while he is rising on a point of order—and I think probably a proper point of order, although I have not heard enough to know—it is a point of order within the committee, and unless a report comes from the committee I do not think Mr. Speaker is seized with any authority to deal with it.

I would suggest that perhaps the hon. member might wish to discuss this with the Clerk, because that is my understanding of it and I would rule his point of order not one to be dealt with insofar as the House is concerned since it is an occurrence in committee. I do not know whether the hon. member would wish to take that course or not.

Mr. Bullbrook: I appreciate that point, Mr. Speaker, therefore if there is propriety in that ruling—and, of course, I am bound to accept it—it means that we have to wait for the report of the committee to come before this House before I can rise on the point of order.

Mr. Speaker: Wait for a report from the committee, yes.

Mr. Bullbrook: Would Mr. Speaker perhaps consider a point of order in connection with the propriety of remarks made by the Prime Minister of Ontario (Mr. Davis) yesterday in Sudbury relative to the motivation of government in instituting action against Dow Chemical of Canada?

Mr. Speaker: I do not think that is a point of order either.

Our guests this afternoon in the east gallery are students from Port Elgin-Saugeen Central School in Port Elgin; in the west gallery the 23rd Adjuvant Course, homes for the aged branch, Social and Family Services Department, and from Douglas R. Atkins Public School, RR #4, Belleville, and the Middlesex South Young Progressive Conservative Association. Later this afternoon, in the east gallery, we will have students from St. Brigid's School in Toronto.

Mr. S. Lewis (Scarborough West): Are there any Tories in Middlesex South?

Mr. J. E. Stokes (Thunder Bay): I did not think there were any left.

Mr. Lewis: Who is the one Young Progressive Conservative?

Mr. S. J. Randall (Don Mills): Are there any other kind but Tories?

Mr. Speaker: Statements by the ministry.

Interjections by hon. members.

Hon. W. A. Stewart (Minister of Agriculture and Food): Mr. Speaker, I rise to make a very brief statement having to do with the crop insurance programme in the Province of Ontario. Effective with the coverage provided for fall wheat planted in the fall of 1971 and continuing therefrom, the contribution toward the premium paid by the Province of Ontario will be increased from five per cent to 25 per cent of the farmer's premium. This will mean that the Province of Ontario will continue to share on an equal basis with the federal government the costs of administration based on 50 per cent each. The Province of Ontario now will be paying 25 per cent of the farmer's premium effective this fall.

Mr. M. Gaunt (Huron-Bruce): Hear, hear!

Mr. Speaker: Oral questions.

CONSTITUTION OF CANADA

Mr. R. F. Nixon (Leader of the Opposition): Mr. Speaker, I would like to ask the Premier if he can tell the House what possible steps

might be taken either by the government of Canada or more properly by the government of Ontario in renewing the discussions that might lead to some further consideration of the Constitutional Charter? Perhaps as a supplementary or second question, does the Premier intend to meet with the Prime Minister of Quebec in order to discuss this matter without a federal presence?

Hon. W. G. Davis (Prime Minister): Mr. Speaker, in that the Premier of Quebec in his statement indicated the main concern related to section 94(a)—or perhaps his interpretation of it—I really think if there is to be any further consideration at this precise moment it should relate to the Prime Minister of Canada and the Premier of Quebec. I have no plans, nor does this government, at this precise moment to interject any further considerations in the matter.

Mr. Lewis: Shame, shame! The Premier should have plans. He should have been playing a role.

Hon. Mr. Davis: Mr. Speaker, not all the other provinces have indicated at this moment their support of the charter itself. There is until June 28, and with the unfortunate situation that developed in one of our western provinces yesterday, one is not sure just what their reaction is going to be at this moment.

Mr. J. Renwick (Riverdale): No wonder the Premier is stunned into immobility.

Mr. Lewis: Did he have a sort of sleepless night?

Hon. Mr. Davis: Mr. Speaker, for the next few days at least there will be very little change.

Mr. Nixon: Does the Premier feel that the whole constitutional discussions now have come to an end for quite a period of time—

Mr. Lewis: When is the Premier calling it now?

Mr. Nixon: —or, in fact, is there a chance that they can be refloated at an early date?

Hon. Mr. Davis: Mr. Speaker, I do not know what being floated means, but I really do not want to speculate on it. I would only be guessing or speculating, and I do not intend to do so. I can only say—

Mr. Nixon: Start them over again. They are now sunk.

Mr. Lewis: Like a loan.

Hon. Mr. Davis: —I can only say that at this moment the other provinces have not finalized their intent in this matter and I think until that is done at least, no one will be taking any further steps certainly of any official nature.

Mr. Nixon: A supplementary: Did the Premier speak personally with Mr. Bourassa following his rejection of the charter?

Hon. Mr. Davis: Mr. Speaker, I think in fairness it was the Quebec government's rejection of the charter, and the answer to the question is "yes."

Mr. Nixon: Perhaps the Premier could tell the House if he had the impression that the government of Quebec was prepared to continue negotiations for the possibility of patriating the constitution or reconsidering the charter.

Hon. Mr. Davis: Mr. Speaker, I got no such impression from what was a confidential conversation with the Premier of Quebec, in his reference to section 94(a) and his interpretation, whether or not there can be discussions between Mr. Bourassa and the federal government on that matter, Mr. Speaker, I really cannot speculate; I do not know.

Mr. Nixon: Mr. Speaker, if you will permit a further supplementary as far as I am concerned on this matter, did the Premier of Ontario indicate to the government of Quebec at any time that there might be more substantial support for the Quebec contention that the money associated with family allowances and certain other social programmes should, in fact, come under the direct jurisdiction of the provincial government? Is the Premier prepared to go a bit further than his somewhat ambiguous statement made at the conference in Victoria—

Mr. Lewis: Somewhat?

Mr. Nixon: —which in some minds indicated that Ontario might be prepared to support this at a later date?

Mr. Lewis: A model of ambiguity.

Hon. Mr. Davis: Mr. Speaker, there is no intention at this moment of going further with the position that was accepted by all provincial Prime Ministers or Premiers at the Victoria conference. I just reiterate to

the Leader of the Opposition that this was presented to the various governments across Canada as part of a total commitment, which commitment has been rejected by one of the governments of Canada and, as I say, has not been accepted at this moment by all the rest, although a number have indicated their support.

Mr. Speaker: The hon. member for Scarborough West.

Mr. Lewis: By way of supplementary, **Mr. Speaker:** Since Premier Bourassa during his climactic cabinet meeting called Premiers Hatfield, Smallwood, Bennett and Regan before the decision was reached, did he also call the Premier of Ontario during that cabinet meeting?

Hon. Mr. Davis: Mr. Speaker, I cannot say whether he called during that cabinet meeting, but I believe he did call here sometime prior to the decision being made.

Mr. Lewis: By way of supplementary, did the Prime Minister of Ontario speak to Premier Bourassa at that time?

Hon. Mr. Davis: Mr. Speaker, I did not speak to Premier Bourassa at the time. I was in another part of the Province of Ontario where it would have been rather difficult for him to talk to me or me to talk to him at that precise moment.

Interjections by hon. members.

Mr. H. Peacock (Windsor West): He was unavailable in Sudbury.

Mr. Lewis: He was holding one of his public screen tests.

Mr. Speaker: Order.

Hon. Mr. Davis: I know what you call them.

Mr. Lewis: We call them meetings in our party.

Mr. Speaker, may I ask of the Premier if he has thought of asking the hon. member for London North (Mr. Robarts) to assume a special role in the Confederation arrangements at this point on behalf of the Province of Ontario, both with Quebec and with Canada, in the light of the authority that has come from his person in the past?

Hon. Mr. Davis: Mr. Speaker, there has been no consideration of this whatsoever. Very frankly, it is a situation where the

heads of government of every province in Canada accepted a proposal, agreed upon by the Premiers and Prime Ministers and by the Prime Minister of Canada, to submit to their respective governments, which was what was done. As I say—and I think there is no point in belabouring the point—until the reaction is received from all governments in Canada and until there is some indication of whether or not the Premier of Quebec has indicated in his statement—and I am not going to interpret what he said at this moment—that there could be some discussion as it relates to the interpretation of 94(a), I think the matter will stand there for a period of time.

CROP INSURANCE

Mr. Nixon: I have a question of the Minister of Agriculture further to his statement. Can he give an assessment of the cost to the Treasury of Ontario based on his statement having to do with crop insurance?

Hon. Mr. Stewart: I have not got the figures right with me, but based on memory, the projected cost will be something like \$2,650,000 over the next three years. This will start off this fall with the coverage of fall wheat crop insurance, which will be expected to increase the cost to the Province of Ontario by a minimum of \$40,000 on fall wheat coverage alone. Quite frankly, Mr. Speaker, we look for an increase in the coverage that will be used by farmers of crops, and we have projected over the first, second and third year an increase in coverage of each of the crops that are insured; so it would add up in the total period to what we project is that figure. But projections are always dangerous, Mr. Speaker, as I am sure you are aware.

Mr. Nixon: A supplementary: Can the Minister of Agriculture and Food indicate the percentage decrease in the cost of crop insurance now that the province will be sharing the administrative cost of the programme on a 50-50 basis?

Hon. Mr. Stewart: That is to the farmer?

Mr. Nixon: Yes.

Hon. Mr. Stewart: He pays 70 per cent now, he will be paying 50 per cent; so it will decrease by 20 per cent of whatever he has been paying in all crops.

Mr. Nixon: I have another question of the Minister of Agriculture and Food, Mr. Speaker.

Mr. Speaker: I wonder if we could revert to statements now or a little later. The hon. Minister of Public Works has one, if I might interrupt, and the Leader of the Opposition might wish to ask questions. May we revert to statements by the ministry? Agreed.

The Minister of Public Works.

Hon. J. A. C. Auld (Minister of Public Works): Mr. Speaker, in answer to the hon. member for Scarborough West in connection with the cleaning contract for Ontario Place, I would advise the House that 13 tenders were received on this project.

I would point out that the proposals made to The Department of Public Works ranged from a low of \$201,759 to \$1.3 million odd and the number of employees suggested by the cleaning firms to clean Ontario Place varied considerably from a low of 20 to a high of 68 including supervisors.

The hon. members can appreciate there was a very wide difference of opinion by the cleaning companies as to how much the job would cost and how many people were required to do a proper cleaning job.

The following are the submissions we received, along with the number of employees the cleaning companies offered for the job (the figures are the totals for the two parts of the job):

1. Modern Building Cleaning bid \$20,759 and suggested that they would employ 20 people plus two supervisors.
2. Skyline Floor Cleaning, \$268,000, 18 employees plus two supervisors.
3. Mac-M Janitorial Services, \$346,756.27, 30 employees and two supervisors.
4. Forest Glen Services Systems, \$364,565, 40 employees plus five supervisors.
5. Nationwide Interior Maintenance Company Limited, \$416,236.33, 31 employees plus two supervisors.
6. This is the bid that we accepted. Consolidated Maintenance Services Limited, \$446,030, 56 employees, three supervisors.
7. Allied Building Services Limited, \$477,735, 44 employees plus three supervisors.
8. Scot Young Canada Limited, \$462,500, 48 employees. They did not specify the supervisory directly.
9. Worldwide Window Cleaning—floor division, \$531,400, 53 employees, plus three supervisors.
10. Ace Janitorial Services, \$771,840, 66 employees plus two supervisors.

11. A-Step Ahead Maintenance Services, \$980,767.41—

Mr. E. Sargent (Grey-Bruce): Must have been a great set of specifications.

Hon. Mr. Auld: Forty-seven employees, plus two supervisors.

12. Gordon A. MacEachern Limited, 49 employees, plus four supervisors. I might say, Mr. Speaker, that this firm's original quote was for \$1,349,265. However, in a letter subsequent to the opening of the tenders, Mr. MacEachern wrote and said that his calculating machine broke down and this was incorrect and his quote for group 1 was only \$692,156.30.

13. Olympia Cleaners Limited, which bid on only one part of the contract, \$90,000, 46 employees plus four supervisors.

The department's tender asked for prices in two group areas, and the prices I have given to you are the total of the two groups. I will come back to the matter of staff shortly.

Group 1 covered the complete operation with the exception of dry-foam shampooing and static-proofing, and it covered the periods May 1, 1971, to October 11, 1971; May 1, 1972, to October 11, 1972; and from May 1, 1973, to October 9, 1973.

Group 2 was the cost of cleaning and servicing of washrooms on the east and west islands during the periods October 12, 1971, to April 30, 1972, and October 12, 1972, to April 30, 1973.

I would remind the House that our tender call stated clearly the following clause: "The lowest or any tender will not necessarily be accepted."

I might mention that the total contract is for 30 months and we, the government, can cancel the contract for any reason on one month's notice. Before expanding further on the reason Consolidated Maintenance Services Limited was awarded the contract, I might say that up until this contract, we have, with one exception, taken the low bid. This policy has led to some difficulties, inasmuch as we have had, from time to time, some problems in getting the cleaners to meet the specifications of the contract. This is a situation that particularly concerned us about Ontario Place since it is a special-purpose operation with variable requirements.

My department prepared a very complete performance specification covering the requirements for the services needed at Ontario Place. We considered that we must provide a high standard of service in order to ensure

a level of cleaning that could not come under justifiable criticism from the public.

My staff, after careful analysis, informed me that it was their opinion that the cleaning services would require a minimum of 50 persons plus at least two supervisory personnel.

Mr. M. Shulman (High Park): The minister should have put that in his specifications.

Hon. Mr. Auld: Mr Speaker, one Toronto columnist has written three articles in connection with this contract. Let me first point out that much in these articles is highly inaccurate and his comments and conclusions are very misleading.

In the first article he makes comparisons, as an example, between cleaning such buildings as the Toronto Stock Exchange, the Ontario Science Centre, the Canadian National Exhibition—which I would point out only operates for a couple of weeks each year—the Toronto Star building and the federal government's Mackenzie Building, with the cleaning of such a special-purpose site as Ontario Place.

These comparisons are completely invalid and, quite frankly, ridiculous. It also gives one some kind of an idea of this particular writer's knowledge in this field.

Mr. Lewis: Why are they ridiculous?

Hon. Mr. Auld: In the second column, which appeared in the Toronto Telegram on June 11, the writer starts off by mentioning that the contract with Consolidated was worth \$500,000. The contract is in fact for \$446,030. He also claims that Consolidated will also get—and I quote—"many thousands in extra service charges." This is a completely false assumption. The terms of the contract simply ask for the cleaning company's prices on, and I quote:

I/we also submit the "work-completed unit price" based in the materials and method specified on the following work which is to be carried out only at the request of the building manager:

1. Dry-foam shampooing of rugs, price per square foot.
2. Static-proofing of rugs, price per square foot.
3. Shampooing of upholstered theatre chairs and cloth exhibits, price per square foot.

Mr. Lewis: Then Haggart is quite right.

Hon. Mr. Auld: I end the quote. Nowhere, Mr. Speaker, in the government tender, did this part of the cleaning operation indicate that the successful bidders of group 1 and 2 would automatically get this part of the contract.

We can award this to the lowest bidder on the assumption that the work will be done adequately and at the sole discretion of the building manager. The credibility gap of the Telegram writer grows with each article he writes.

Mr. Lewis: That is pretty inefficient. The minister takes one company to do all the rest and then he hires another one to shampoo his rugs.

Hon. Mr. Auld: I might also refer to a letter to the editor which appeared in the Toronto Telegram on June 23 from Mr. R. L. Stanley of Cleaning Consultants of Canada. Mr. Stanley says as follows, and I hope all hon. members would listen to this:

My hat is off to the Province of Ontario, which for many years has been saving the people of Ontario many dollars annually with the aid of building-cleaning companies. During these years of saving us money, The Department of Public Works' staff has developed an expertise in determining cleaning requirements for many of its buildings.

With this expertise developed over the years, the government experts could easily assess a complex such as Ontario Place and initiate a comprehensive cleaning specification.

With the aid of the specification and operational schedules, the daily female and male cleaning staff requirements could easily be ascertained.

I would also draw another discrepancy which shows up in the Telegram's writer's article of June 11—

Mr. Shulman: If it is so easy to ascertain, why does the minister not put it in his specifications?

Hon. Mr. Auld: —and the letter to the editor by Mr. Stanley of June 23. Mr. Stanley in his letter made reference to the cleaning of Expo 67.

Mr. Lewis: This is going to bring the government down, the cleaning of Ontario Place.

Hon. Mr. Auld: The Telegram writer, in answer to Mr. Stanley's correspondence through an editor's note—

Hon. Mr. Davis: The only cleaning we are going to do is over there.

Hon. Mr. Auld: —points out that two of the local contractors had experience—

Mr. Lewis: This is the coal scuttle issue.

Interjections by hon. members.

Mr. Speaker: Order, order. Let us hear the rest of the statement.

Hon. Mr. Davis: They are waffling over there.

Interjections by hon. members.

Mr. Lewis: Maybe the government would want to fight it on free enterprise against Socialism.

Hon. Mr. Auld: We might.

Mr. Speaker: Order, order.

Hon. Mr. Davis: Free enterprise versus the wafflers.

Mr. Lewis: That is a good line.

Hon. A. Grossman (Minister of Trade and Development): Meantime, back to the cleaning staff.

Hon. Mr. Auld: Mr. Speaker, I get the clear impression that the hon. member really does not want to hear the answer to his question.

Mr. Speaker: In any event, the minister might struggle with it.

Hon. Mr. Auld: Perhaps he does not care any more.

Mr. Lewis: I have not missed a word.

Mr. Shulman: One would not want to miss that statement.

Hon. Mr. Auld: Or perhaps he just cannot even listen.

Mr. I. Deans (Wentworth): Probably the most impressive contribution we have had.

Hon. Mr. Auld: Mr. Stanley, in his letter, made reference to the cleaning of Expo 67. The Telegram writer, in answer to Mr. Stanley's correspondence through an editor's note, points out that, and I quote, "Two of the

low bid contractors had experience cleaning Expo 67."

But in his article of June 11, the Telegram writer had this to say, and again I quote: "Among the five companies which bid lower than Consolidated were two companies which cleaned Expo 67."

As it turns out, the two companies which had bid had people who had worked for the companies, who had worked at Expo 67. I think there is certainly a wide difference between having experience, and having actually cleaned Expo 67.

Perhaps a major question raised in the article is the number of cleaning staff needed to clean Ontario Place. Again, in this regard, the writer is completely inaccurate. While we did not specify the total number of staff required in our tenders, we did specify certain full-time cleaning employees needed on duty, and this applied to the daytime requirements only. As an example, the tender call specifically specified under day staff requirements that the cleaning company would have to maintain staff on duty for the washrooms on the island. This would mean one male in the male washrooms, and one female in the female washrooms. I hope that that is acceptable to the members opposite.

Mr. Lewis: We just like to keep our identity.

And it might be hard to tell—during the hours of 10 a.m. to 10 p.m. daily, seven days per week. This would mean, Mr. Speaker, an 84-hour week and, therefore, the minimum staff on duty would have to be eight males and eight females in the eight washrooms on the east and west islands. In addition, the contract called for the cleaning company to maintain similar requirements in the Cine-sphere theatre. This would involve four employees. In the terminal building and restaurants in Pod 2—

Hon. Mr. Grossman: I think I will clean it myself.

Mr. Shulman: The minister may have to.

Hon. Mr. Auld: —there is a requirement of four employees; in the exhibit areas and buildings, a requirement of four employees; in the pods, a requirement of two employees, and in the hostesses' change room, a requirement of two employees.

This means that the government contract outlined and specified a minimum requirement for the day-to-day operations only of 32 staff and one day supervisor which, in my addition,

comes up to a minimum of 33 with nothing else.

I might also point out to the hon. members that this does not include the requirements of general cleaning operations, which would cover such things as vacuuming of carpets, approximately 70,000 square feet; cleaning of plexiglass, 10,000 square feet; dusting of exposed exhibits, 11,640 square feet, the welcome wall, 38,000 square feet; tubing, TVs and artifacts, 32 units; cleaning of furniture and fixtures; cleaning of floors, rugs and carpets, and—get this—829 upholstered cine-sphere chairs, and the disposal of all garbage from all restaurants—plus a wide variation of other cleaning requirements. I may say I have them here and if the hon. member would like to have them I would be glad to give you another hour on this.

Mr. Lewis: Spare us, spare us!

Mr. Randall: Read them all out.

Hon. Mr. Grossman: Read them out.

Hon. Mr. Auld: We estimated that this requirement would need at least 18 further employees along with one supervisor. These, I might mention, were considerations based on minimum needs.

This would obviously rule out those companies who offered in their maximum, less staff, such as:

Modern Building Cleaning, who offered only a total of 22 employees.

Skyline Floor Cleaning, who offered only 20 employees.

Mac-M Janitorial Services, who offered only 32 employees.

Nationwide Interior Maintenance, who offered only 33 employees.

Mr. Speaker, these numbers of employees would, in most instances, not even meet the specifications outlined in the tender for full-time staff on duty.

As far as Forest Glen Services were concerned, their offer of 45 employees, in consideration of the total needs of Ontario Place, would not be sufficient to do the job.

Mr. Shulman: Why?

Hon. E. Dunlop (Minister without Portfolio): The hon. member just heard that—he cannot listen.

Hon. Mr. Auld: We estimated the number of cleaning employees at not less than 50. In

my remarks in the Legislature on June 1, I used the term "about 50." I submit to you, Mr. Speaker, that the term "about 50" does not necessarily mean less than 50, but at the same time it could well mean more than 50.

Mr. Shulman: Oh, really?

Mr. W. G. Pitman (Peterborough): This is unbelievable.

Mr. Lewis: The minister must regard this portfolio as a promotion.

Hon. Mr. Auld: In any event, after careful analysis of the requirements, my staff, who have some very wide knowledge and experience in this particular field—certainly enough experience, Mr. Speaker, not to compare the cleaning job of the federal government's MacKenzie Building with Ontario Place—felt that they had no alternative but to recommend to me the bid of Consolidated Maintenance.

It is our feeling that this company had a good reputation in the cleaning field for doing a good job; that the 56 employees plus three supervisors were within the target area of the employees needed for the job; and that the total contract price covering 30 months was realistic.

It was the combination of all these considerations that made me accept their judgement and recommendations.

The Telegram writer continuously complains about the so-called "secret conditions" about the number of people required for the cleaning job.

Mr. Shulman: Put it in the specifications so everybody will know.

Hon. Mr. Auld: In the first place I have learned in a conversation with Ontario Place officials that they would be very concerned if there were any less than the present 59 employees available under this contract. In this connection, I would quote in part some of the Telegram article of June 11:

The government's explanation is that its experts in The Department of Public Works estimated about 50 employees would be needed (but the government did not tell anybody in advance) and Consolidated Maintenance came closest to that figure by proposing to use 59 employees. The simple meaning of this absurdity is that no private entrepreneur doing business with the government can ever hope to become more efficient than the government thinks he can or should be.

There is, Mr. Speaker, in my view, no need for the government to tell the bidding companies in advance what total number of employees they should offer when they bid for a contract of this nature. These companies should know. Yet, as I have pointed out—

Mr. Lewis: Oh come on! You pin your bid on the—

Hon. Mr. Auld: Of the 13 companies who bid on this contract, the number of employees offered ranged from a low of 20 below the minimum specified for a specific job, to a high of 68.

It would seem to me that no one really knew for sure, neither the government nor the competing firms, as to the precise number of maintenance people who were needed for Ontario Place in this contract.

Mr. Lewis: That is right, so they settled for lower bids.

Hon. Mr. Auld: But I think, Mr. Speaker, that after and even before the information we have received from the Ontario Place officials, it would be fair to say that my department's assessment is much closer to the needs than that of most of the people, or many of the people, who actually bid on the contract, although it is interesting to see that about four or five of them were in the correct range, even though their prices varied considerably.

Mr. Shulman: Even though the minister did not let them know about it.

Hon. Mr. Auld: In the tender we did specify certain areas where staff would have to be on duty, but we did not specify the total number of staff or cleaning employees that would be needed on this contract.

I do not think there is any reason why we should, since, after all, it is an advertised tender in the Daily Commercial News. It was up to the bidding companies to advise us what they were going to offer in the way of staff. Surely, it was not for the government to make the decision in this regard before the tenders were opened. Finally, it may be of interest to hon. members and, particularly, the hon. member for Etobicoke (Mr. Braithwaite) and the hon. member for Oshawa (Mr. Pilkey), while the contract was not awarded for this reason, I would call to their attention their discussion during my estimates of the hourly rates of cleaners and the fact that the average hourly rates for male and female employees both night-time

and daytime staff, stated by Consolidated were higher than those of the other five lower bidders.

Mr. Speaker, I think that when all considerations are taken into account—

Mr. C. G. Pilkey (Oshawa): What does that represent, though?

Mr. Shulman: Is that why the government accepted their project?

Hon. Mr. Auld: —the job to be done—

Mr. Lewis: The minister learned that after the event.

Hon. Mr. Auld: I will repeat for the edification of the hon. members that while the contract was not awarded for this reason, I would call to their attention their discussion during my estimates and so on.

So, Mr. Speaker, I think that when all considerations are taken into account, the job to be done, the number of staff required to do the job properly, the overall cost of the contract over three months and the pay rates of the employees, I feel that we were quite justified in awarding the contract to Consolidated Maintenance Services Limited.

Mr. Nixon: Mr. Speaker, we have been treated to a very full explanation and, for purposes of clarification, will the minister explain why he would say it is ridiculous to compare the cost of cleaning Ontario Place with the cost of cleaning the Science Centre? Surely, there should be some comparison.

Hon. Mr. Auld: Mr. Speaker, because it is an entirely different operation. It has seasonal activities. It is far more susceptible to weather conditions, because some of the contract cleaning is in open spaces, although it does not include the ground. There is really no comparison between the volume of traffic and the way people move through the building to the Science Centre.

Mr. Nixon: It is ridiculous.

A supplementary question: Does the minister indicate in his statement that, in fact, the operative number that he was looking for was the number 50 in the bid, which would be closest to his advice as to how many workers would be required?

Hon. Mr. Auld: Mr. Speaker, if the Leader of the Opposition—and I can understand his problem; he may not have been able to hear part of the statement—if he would recall the statement, I said that the company which

was the successful bidder has 59 employees. we had considered that there were a minimum of 50 plus supervisory staff—two or three. There were other bids, and I would be delighted to give him the details.

Interjections by hon. members.

Mr. Lewis: No. No.

Hon. Mr. Auld: Consolidated were the people who were closest to the estimate that we had, although they were higher in terms of people but lower in terms of dollars.

Mr. Speaker: A supplementary?

Mr. Shulman: If the magic number was 50, even though the bidders were not told, why did the minister not take the firm that was closest to 50, which was Forest Glen?

Hon. Mr. Auld: Because the firm that was closest on the plus side was more.

Mr. Shulman: One final supplementary: Is the minister suggesting that 59 is closer to 50 than 45 is?

Mr. Lewis: Even in the new wave that is tough.

Mr. Pitman: New mathematics.

Hon. Mr. Auld: Mr. Speaker, I hate to take the time of the House about this, but I would like to clarify this point.

Hon. Mr. Stewart: Go right ahead.

Mr. Randall: Read it over again.

Hon. Mr. Grossman: I do not think they were listening. Read it all over again.

Mr. Pilkey: If the minister is going to clarify it, it will be monumental.

Hon. Mr. Auld: Mr. Speaker, the Minister of Trade and Development says perhaps the hon. member for High Park did not write this down.

I will give the hon. members, back on page 2, the numbers and the prices. The closest to 50 was Gordon A. MacEachern Limited, who had 49, plus four supervisors. His original quote was \$1,349,265. However, he wrote, as I said, a day or so after the award and said that his adding machine broke down and his quote was incorrect and really it should have been \$692,156.30.

Mr. Speaker: The hon. minister is entitled to answer the question as he sees fit just as the members are entitled to ask questions.

If the member for Scarborough would talk to his member, we could—

Mr. Lewis: I asked the minister for Forest Glen.

An hon. member: He asked for the works—give him the works.

Hon. Mr. Auld: This is starting to sound more like Forest Lawn.

Interjections by hon. members.

Hon. Mr. Auld: Forest Glen had 40 employees plus five supervisors. Their price was \$364,565.

Mr. Shulman: Which was lower than the job the minister gave.

Hon. Mr. Auld: They obviously had an inadequate number of people and could not perform the job.

Mr. Lewis: Obviously!

Mr. Shulman: Yes, 45 is obviously—

Mr. Lewis: The minister threw away over \$100,000. That is what he did—just tossed it out.

Hon. Mr. Auld: The next closes was A-Step Ahead Maintenance Services which had 47 plus two, a total of 49, and their price was \$980,767.41.

Hon. Mr. Grossman: That was a big step ahead.

Hon. Mr. Auld: Then we have Worldwide Window Cleaning, floor division, 53 plus three supervisors, \$531,400 and then we have—well, I guess that is enough. We have some others. Perhaps that will satisfy the hon. member?

Mr. Pilkey: Yes, we have enough.

Mr. J. E. Stokes (Thunder Bay): Thank you very much.

Mr. Lewis: At evident risk, by way of one supplementary—

Hon. Mr. Grossman: Is the member asking for more?

Mr. Lewis: Mr. Speaker, I take it it did not figure in the minister's calculations at any point that he passed over five Canadian-owned companies to award it to an American subsidiary?

Mr. Randall: Oh, now, I knew the member would come to that!

Hon. Mr. Auld: Mr. Speaker, the hon. member is quite correct. We passed over a number of companies, not on the basis of their ownership but on the basis of the kind of service that we expected to get and the kind of service that we had to get and the price that they bid. I am informed, however, that the 59 employees who are working for Consolidated are all Canadian residents.

Mr. Shulman: All the cleaners are Canadians!

Mr. Speaker: A supplementary?

Mr. Pilkey: They just take the profit to him, that is all.

Mr. Speaker: Order, order!

Interjections by hon. members.

Mr. Speaker: Order! Has the member for Ottawa Centre a supplementary?

Mr. Lewis: It is called Ontario Place, with an American cleaning company. Very nice!

Mr. H. MacKenzie (Ottawa Centre): Mr. Speaker, I wonder if the minister would agree that competitive tendering, as we understand it, did not occur in this case? Would the minister consider reviewing all the details and if possible, call tenders again on a competitive basis?

Hon. Mr. Auld: Mr. Speaker, I thought I made it quite clear that it was on a competitive basis, based on the specifications which I would be delighted either to read or send to the hon member. It was advertised in the Daily Commercial News.

The specifications, general conditions, are 14 pages, I may say, closely typed, rather than the triple spaced ones that I just read. If he would like to take a look at this, I would be delighted to send it to him.

Mr. MacKenzie: Does the minister realize that his tender call—and I talk about a competitive tender call; his prices went from \$200 to \$1,300 which is a 6-to-1 ratio and cannot in any sense of the word be considered as competitive. Does the minister understand—

Hon. Mr. Auld: Mr. Speaker, I think that is why it behooves my department to assess these pretty carefully. It seems pretty clear to me as a non-expert that some of the people who bid really did not know what they were bidding on, even though they had 14 pages of requirements on which to bid.

Interjections by hon. members.

Mr. Speaker: The Leader of the Opposition.

NEWSPAPER COMMENT BY HEAD OF ONTARIO PLACE

Mr. Nixon: Mr. Speaker, I have a question about Ontario Place of the Minister of Trade and Development. Has he discussed with the head of the special projects branch the quote that was made by the gentleman as reported in the Globe and Mail of June 21 as follows: "Mr. Grossman, it is impossible to work for him." Is the gentleman's employment in any way in jeopardy?

Mr. P. J. Yakabuski (Renfrew South): Could be.

Hon. Mr. Grossman: Mr. Speaker, I have not discussed it with him. My deputy has discussed it with him.

I will agree with him that it is very difficult to work for me. It always has been. But I usually find a pretty good staff who are prepared to work for a minister who is aiming for excellence.

Mr. Pilkey: The minister is a long way off target.

Mr. T. P. Reid (Rainy River): He has a long way to go.

Hon. Mr. Grossman: Of course, and I admit it.

Hon. Mr. Davis: He is a lot closer to it than the member is.

An hon. member: But the minister will never know.

Mr. M. Makarchuk (Brantford): They call the minister "almost perfect Al."

Mr. Speaker: Order, order!

Hon. Mr. Grossman: In answer to a specific question, the position is not in jeopardy. As a matter of fact, Mr. Speaker, I have complete regard for the tremendous pressure under which this gentleman has been for the last number of years in doing the job that he has done—

Mr. H. Worton (Wellington South): A really backhand compliment!

Mr. Nixon: He had a momentary lapse.

Hon. Mr. Grossman: —to get Ontario Place open. I think everyone agrees he has done a

tremendous job and he has been under great pressure.

If he had a momentary lapse, that is all right with me. I would prefer—

Mr. T. P. Reid: The man never said that about the previous Minister of Trade and Development (Mr. Randall).

Hon. Mr. Grossman: I am prepared to overlook that in view of the tremendous task that he has performed.

Interjections by hon. members.

Mr. Nixon: A supplementary: The minister has now satisfied himself that Mr. Ramsay feels that he can work for the minister. Is that right?

Hon. Mr. Grossman: Mr. Speaker, he is still working for me, so apparently he did not find it that difficult.

EGG, APPLE PRICE DROP

Mr. Nixon: Mr. Speaker, a question of the Minister of Agriculture and Food. Has he been apprised of the deteriorating situation as far as the prices of eggs and apples in the Province of Ontario are concerned? Does he have any new and special review of this situation; and in the event that he does not, would he consider recommending that the standing committee dealing with agriculture be asked to call in those people who are concerned with this in the possibility that some action by this government might be forthcoming before the end of the session to improve the situation?

Hon. Mr. Stewart: Mr. Speaker, as far as the question regarding the price of eggs is concerned, it is a pure and simple matter of great oversupply. There is no doubt about this whatever.

One of the interesting features about the oversupply of eggs, Mr. Speaker, is related to disease control within the poultry flock—that is the North American poultry flock. You will recall in estimates that were debated in this House in years gone by members asked me, from all sides of the House, what research was being done in the control of leucosis. You will recall the discussion on this from time to time.

We found, through research, a very effective control of this which has virtually wiped out the disease and as a result dropped the mortality rate from about 15 per cent to 20 per cent in laying flocks to virtually nil

where Marek's disease or leucosis is concerned.

Because this applied just at the beginning of this last production year, this in turn, has increased the total number of eggs produced by about I would say at least 10 per cent to 15 per cent over what normally might have been expected.

The laying flock, both in the United States and in Canada, greatly increased due to the very substantial prices that have been paid for eggs in the last two or three years. People felt that this was a good business to be in. There was a good feed conversion ratio; there was a good ratio of price in relation to feed costs.

There was no real control, or no gearing for supply management in relation to the known markets. The result has been that there has been a very definite deterioration in egg prices. Unquestionably, this has happened.

I think, quite frankly, that with the number of laying fowl finding their way to processing plants on both sides of the international border between the United States and Canada, that there will be a substantial improvement in the price of eggs before many months go by.

Now with regard to the price of apples: This is a world-wide problem, there is no question about this. There have been literally thousands of tons of apples dumped in Europe because there were virtually no markets whatever for them. Many of the apples that were crushed in Europe through processing purposes, resulting in apple products have been coming into this country under import, usurping, in my opinion, the place of Ontario apples that should have been used in Canada to make apple juice. British Columbia particularly has been badly hurt; the Maritimes have been badly hurt.

We called an apple conference last year at my invitation in Toronto to deal with this matter on a national basis. It was the first one of its kind ever called in Canada. The result of that conference has been a closer liaison between the apple producing regions in Canada and I think there has been significant progress made in stabilizing the market to some degree.

I believe, Mr. Speaker, without any shadow of a doubt that there is a world-wide surplus of apples and it looks as though it will continue far into the future, particularly due to the enormous increase in production in Italy, France and Spain. These three large

producers have virtually taken over the markets for which normally our Canadian producers ship.

Mr. Nixon: As a supplementary: Is the minister's department equipped to advise people who have been established in the orchard business and to a great extent in the egg business for many years as to what alternatives are theirs? Or is he simply going to allow the pressure of the market place to determine this?

Hon. Mr. Stewart: Mr. Speaker, we have never been asked to do anything in this particular regard by the commodity groups, which we have not done. The facilities of the economics and statistics branches of The Department of Agriculture and Food are at the disposal of the commodity groups. Many of them have requested studies on various aspects of marketing of farm commodities; aspects of production; of supply management. These facilities have been placed at their disposal and are still at their disposal if they wish to use them. Many of the groups feel that they can look after their own interests. Some of them have highly sophisticated techniques in determining what the market requirements are and how they should best meet them.

We are willing to work with them in every way, shape or form, but I think my hon. friend must recognize that most of these groups particularly the apple growers of the Province of Ontario, have perhaps one of the most highly sophisticated marketing organizations there are. It embraces not only the producers but the packers, the distributors, the retailers and the consumers—all on the one apple commission—bringing together all aspects and all interests of the marketing of apples in this province.

We think it has accomplished a good deal. Certainly it has not accomplished everything we would like it to accomplish, by way of price stability to the producer, but we do point out the price stability to the producer is better in Ontario than it is in any other jurisdiction that I know of on the North American continent today.

Mr. Nixon: A final supplementary, as far as I am concerned, Mr. Speaker: Will the minister consider either making a reference to the standing committee dealing with agriculture, or the possibility of reactivating the committee on farm income to deal with this matter, which is reaching crisis proportions?

Hon. Mr. Stewart: Mr. Speaker, I can give a definite "no" to the second part of the question because we have no notion of reactivating the committee on farm income. As far as the reference to the standing committee on agriculture is concerned, no minister of the House, Mr. Speaker—my hon. friend knows perfectly well—refers such matters to standing committees.

Mr. Nixon: Yes, specifically, that is required by the new rules!

Mr. Speaker, on a point of order, I would like your advice on the statement the minister has just made. Surely, under the new approach to the new committee system here, we have had specific references by ministers, through resolution in this House, of matters of urgent importance of this type. Surely, sir, it is up to you to get the minister straight as to what the new rules require.

Mr. Speaker: There is no question that the matter must be referred to the committee. It should be referred by the House leader of the government on behalf of the government.

Mr. T. P. Reid: Mr. Speaker, I have a further supplementary, if I may, to the minister: Does the minister have any plans, or has he had any conference with his colleagues, particularly the Minister of Municipal Affairs (Mr. Bales) in regard to what will happen to the orchard areas if this situation continues, in that these orchard farmers may very well be out of business? What will happen to the land if these farmers go out of business? Will it be turned into a highrise development sort of thing? Has anything been done by the minister's department in this regard?

Mr. Deans: This minister is not interested in protecting the farmers.

Hon. Mr. Stewart: I do not know what has prompted all these questions concerning this matter of apple pricing today. Nobody has ever—

Mr. Nixon: The minister probably has not been reading his mail or talking to his constituents.

Hon. Mr. Stewart: I have not had one single representation made to me either by the apple commission or any apple producer in Ontario in any way, shape or form concerning this matter.

Mr. Nixon: I will see that the minister gets them.

Hon. Mr. Stewart: That is fine, I will be glad to read them. But if the hon. leader is basing his comments on some newspaper article, which is probably his source of information, let me say, Mr. Speaker, that as far as any communication between the Minister of Municipal Affairs and myself is concerned, of course communication goes on concerning assessment and all the rest of it. But there is nothing new about the disposal of orchards which have served their usefulness and should be replaced, either by new orchards or by some other use. That is a continuing process that goes on in this province from year to year—from day to day almost, I should say.

So I point out to my hon. friend that if the decision is made by an owner of an orchard, of whatever kind it may be, to change the use of that land to some other more remunerative feature then I suppose it is up to him to make that decision. It is still a free country.

Mr. T. P. Reid: By way of one more supplementary if I may, Mr. Speaker, does the minister not feel that this land in its present use is valuable as a resource in itself and should not be allowed to be black-topped over and given over to highrise buildings when we are trying to protect as much land of this type as we can in the Province of Ontario?

Hon. Mr. Stewart: That is a point worthy of consideration.

Mr. Speaker: Further supplementaries? Has the Leader of the Opposition completed? The member for Scarborough West.

AID TO SEPARATE SCHOOLS

Mr. Lewis: A question of the Premier, Mr. Speaker: Can the Premier render an assurance to the House that the government's policy on the extension of aid to separate schools will precede the estimates of The Department of Education?

Hon. Mr. Davis: No, Mr. Speaker, I cannot.

Mr. Lewis: Mr. Speaker, can the Premier assure the House that the government policy on the extension of aid to separate schools will precede the adjournment of the House?

Hon. Mr. Davis: No, Mr. Speaker, I cannot.

Mr. Lewis: Mr. Speaker, does not the Premier think it is the height of irresponsibility to have allowed more than two years to elapse without a reply to the brief and to allow us to continue to debate in this chamber when he promises that the decision will be down, as it were, on a daily basis?

How long does he intend to keep the separate school trustees waiting, and why does he not allow it to be debated in the Legislature when government policy is made?

Hon. Mr. Davis: Mr. Speaker, the answer, of course, is "no" to the first part of the question.

If the hon. member, during the course of his learned contributions to either the Throne debate or to the budget debate, wishes to express his observations or those of his party related to this particular matter, there is nothing in the rules of the House that preclude this. I would suggest to the leader of the New Democratic Party he might decide to pursue that. That is fine, there is nothing to stop it.

Mr. Lewis: Yes, but—

Hon. Mr. Davis: But what?

Mr. Lewis: We never hear from the Premier at all, do we—about the government policy?

Hon. Mr. Davis: Mr. Speaker, I hear from the leader of the New Democratic Party through the press on many issues on many occasions. Surely he does not need any prompting from me to have him make a contribution in this regard?

Mr. Lewis: A large community would like a reply.

Hon. Mr. Davis: And if he wants to make a speech in this House there is nothing in the rules to preclude it. I would say, with respect, go ahead.

Mr. Lewis: I take it, by way of supplementary, that whatever the Premier's decision is he does not want to submit it to debate in this chamber; he wants to do it after the House has closed down, maybe even after the election is called.

Mr. Speaker: Is that a question?

Hon. Mr. Davis: Mr. Speaker, of course, that is not what I said and the hon. member knows that is not what I said.

Mr. P. D. Lawlor (Lakeshore): Completely irresponsible.

Mr. Speaker: Supplementary?

Mr. Pitman: A further supplementary: I wonder if I could ask the Premier if there has been any recent discussion with the trustees of the Roman—the separate school trustees?

Hon. Mr. Davis: Public separate school trustees?

Mr. Pitman: Yes, that is the word I want.

Hon. Mr. Davis: I was wondering for a minute—you got into, sort of, the "Roman," and I was wondering just what group you meant. I know what group you meant.

I would say this. The Minister of Education (Mr. Welch) and I met with another group of people as recently as—what is today, Thursday? Wednesday morning; yesterday morning—a group of people who, I understand, the member opposite think can be isolated from this total consideration, Mr. Speaker—from the Christian Reform schools—with a petition of some 150,000 names related to this subject, in a different way, nonetheless. But I say with the greatest of respect, one cannot isolate these requests one from another. So as recently as yesterday, we had a meeting with this particular group.

Mr. Pitman: A further supplementary, Mr. Speaker: I was referring specifically to the separate school trustees. I was just wondering whether the Prime Minister or the Minister of Education have had any discussions with these groups recently?

Hon. Mr. Davis: Mr. Speaker, I think it depends on the definition of the word "recently." I believe the Minister of Education had some discussions with representatives from the Separate School Trustees Association within the last three to four weeks. I think I am reasonably accurate in that regard.

Mr. Pitman: I wonder if I could, as a further supplementary, ask whether any basis of agreement was reached during those discussions, of which the Prime Minister might be willing at least to give us some indication today?

Hon. Mr. Davis: Of course, Mr. Speaker, the member for Peterborough—

Mr. T. P. Reid: Dreamer.

Hon. Mr. Davis: —knows the answer to that question in advance. Of course, "no."

NIAGARA REGIONAL POLICE FORCE EMERGENCY TASK FORCE

Mr. Lewis: A question, Mr. Speaker, of the Attorney General: Is the Attorney General aware of and has he been involved in the Niagara Regional Police Force's emergency task force which is in training in the peninsula?

Hon. A. F. Lawrence (Minister of Justice): I personally have not been involved, Mr. Speaker, in that. I am sure, however, there have been elements within the department which have been. I will certainly make myself aware of what problems exist, if there are any.

Mr. Lewis: By way of supplementary, is the Attorney General familiar with the training procedures of this police tactical unit, attempting such manoeuvres as the flying wedge, the left and right flying wings and the frontal charge? Is he satisfied in his own mind that such activities are desirable in the Province of Ontario? What does he think that kind of activity might be directed against? Where will it be employed?

Hon. A. F. Lawrence: Mr. Speaker, I had not heard about this. It sounds to me more like manoeuvres for a football team than a police force, but I will make inquiries, and either talk to the member himself or report to the House.

Mr. Lewis: Just by way of a final supplementary, Mr. Speaker, perhaps he could view the description given in one of the regional papers that:

The police, shouting the word, "Move," through clenched teeth, advanced right foot forward toward the imaginary crowd, their chinstraps pulled tight, their riot sticks held high and a look of rugged determination on their faces.

It might be directed against the Tory party at some point and one would wish that the Attorney General might give quiet instructions to this same police force.

Mr. Speaker: Would the member for Scarborough West mind telling the Speaker what the question was?

Mr. Lewis: I wanted an assurance from the Attorney General that he would examine that aspect of the training as well.

Hon. A. F. Lawrence: I said I would look into the matter, Mr. Speaker.

Mr. Lewis: One final question, Mr. Speaker—

Mr. Speaker: The member for Windsor West has a supplementary.

Mr. H. Peacock (Windsor West): Yes, Mr. Speaker. Has the Attorney General yet set limitations on the equipment to be carried by municipal police authorities engaged in riot control training?

Hon. A. F. Lawrence: There are rather stringent regulations respecting equipment and the use of equipment which I believe were conveyed to this House by my predecessor two years ago.

Mr. Speaker: The member for Renfrew South.

CONSTITUTION OF CANADA

Mr. Yakabuski: Mr. Speaker, I have a question of the Prime Minister. In view of Mr. Bourassa's rejection of the constitution, as proposed by the Victoria conference, what now will be the role of this government in that area? Will Ontario continue to play a leading role—

Mr. V. M. Singer (Downsview): Where was the member earlier this afternoon?

Mr. Yakabuski: —working toward a new or amended constitution that is acceptable to all the provinces?

Mr. Singer: The question was asked earlier with 27 supplementaries.

Hon. Mr. Davis: Mr. Speaker, as I said at a press conference, and I think I indicated earlier, Ontario is always prepared to participate. As I explained to the members of the House, under the understanding reached at Victoria all provinces agreed that by June 28 they would indicate just what their response would be. In that we have not reached that date and all provinces have not responded, I really cannot indicate to the hon. member at this moment exactly what direction this may take.

Mr. Speaker: The Minister of Justice has the answer to a question.

BACKLOG OF CASES IN NIAGARA REGION

Hon. A. F. Lawrence: Mr. Speaker, on Friday last, June 18, I was asked a question by the hon. member for Welland South (Mr.

Haggerty) respecting an alleged backlog of court cases waiting to be heard in the provincial court in the Niagara region. On that date I stated I was very concerned to hear that there was a backlog of cases and made inquiries as soon as I left the House.

The provincial court of the regional municipality of Niagara is in the judicial district of Niagara South, sir, and I think the hon. member's concern relates to the cases emanating from Crystal Beach. I have been advised that the total number of cases pending from the Crystal Beach area number only 43 as of June 18. The cases on charges to be heard come under the following headings: offences under The Criminal Code, 12; offences under The Narcotics Control Act, 21; offences under The Highway Traffic Act, 10. I have been further advised that three of the Criminal Code cases have previously been in court in April, 1971, and have been adjourned. The remaining 40 cases were received in the court office during the last two weeks only.

All cases out of Crystal Beach are heard in Ridgeway, and courts are held for all highway traffic cases on Monday in the afternoon. Criminal Code and Liquor Control Act cases are heard on Tuesdays all day, and highway traffic cases again are heard on Wednesdays. I really would suggest to the hon. member that he has got his facts wrong.

Mr. R. Haggerty (Welland South): Thank you, Mr. Speaker, may I ask the minister a supplementary question? Did he deal with the city of Welland too?

Hon. A. F. Lawrence: The total caseload of the provincial court division at Niagara Falls, which includes Crystal Beach, is as follows: As of June 11, 1971—this is for the whole judicial district now—offences under The Criminal Code are 135, under The Narcotics Control Act, 20; under The Liquor Control Act, 27; under The Highway Traffic Act, 1,055; other, such as municipal bylaws and what not, are 138, for a total of 1,375.

I am advised that out of the apparently large number of cases for The Highway Traffic Act—that is 1,055—720 were only received and they covered the period of May 31 to June 11, 1971. The remaining 335 will be heard this month.

I am also informed that of those rather large-sounding numbers of 1,055, approximately 40 per cent will be paid out of court. In other words, they will never be reached because they will be paid before the trial is

even heard. So unless the hon. member has some information that has certainly not been brought to my attention, there is certainly no—

Mr. Haggerty: The minister has just said there was a backlog though.

Mr. Speaker: A supplementary? The hon. member for Grey-Bruce.

RADIOACTIVE CONTAMINATION AT DOUGLAS POINT

Mr. Sargent: Mr. Speaker, a question of the Minister of Energy and Resources Management, regarding the Douglas Point situation: Has the minister been aware of the crucial situation in regard to heavy contamination of unexpected radioactive material at Douglas Point—and I quote the headline in the paper yesterday, “among the worst cases in the world.”

Is he prepared to advise us of the forthcoming shutdown of this plant; where the flushed-out material, radioactive cobalt, will be disposed of; and further, in view of the \$1 million mistake last year in the relocation and now this further crucial situation, is he prepared to call an immediate investigation or commission into the whole affair?

Hon. G. A. Kerr (Minister of Energy and Resources Management): Mr. Speaker, in answer to the last part of the question first, the answer is no. I have looked at the article referred to by the hon. member. It is written by a particular correspondent who quotes people attending a conference in Montreal—

Mr. Sargent: It is the manager of the plant who says it.

Hon. Mr. Kerr: This is a quote from the manager of the plant, yes. And, for example, he says, “In quantitative forms, Douglas is one of the worst in the world, but there is no need to panic.”

Now we are talking about Cobalt 60 radiation. I am advised by the ACL and by Ontario Hydro that there is no danger to employees or the environment. The primary system containing the corrosion product is a closed system. It is controlled and individual radiation exposures are not permitted to exceed a recommended or tolerable level which is well below the danger level.

This requires taking longer periods of time for maintenance than otherwise would be re-

quired. In addition to existing cleanup systems, a new purification plant is now completed which should prevent any future buildup of contaminants. As indicated in the article the system will be flushed out and decontaminated in August of this year during a planned shutdown of the plant.

As far as Pickering is concerned, of course—

Mr. Sargent: What about disposal of this material?

Hon. Mr. Kerr: This is disposed of within the confines of the plant. Regarding Pickering it is, naturally—because it is a later plant, a later development—substantially better than Douglas Point as far as these radiation levels are concerned.

This is because of improved cleanup systems and chemistry control and also by reduction of cobalt sources. I understand there, Mr. Speaker, that the bearings—I am not exactly sure what that is, but it is part of the mechanism—are stainless steel rather than stellite. This, of course, is an improvement as I say on Douglas Point. The Bruce generating station, of course, will be even better.

Mr. Sargent: A further supplementary. Is the minister still shipping plutonium to France from this plant?

Hon. Mr. Kerr: To my knowledge, Mr. Speaker, there has been only one shipment from the Douglas Point area. That was the one when the hon. member said we should bring out the army or something. That is the only one I know of.

Mr. Speaker: The member for Sarnia.

Mr. Bullbrook: This is an original question, sir, not a supplementary.

Mr. Speaker: The member for Sarnia has the floor.

Mr. Bullbrook: Thank you Mr. Speaker. I have a question of the Prime Minister.

Interjection by an hon. member.

DOW CHEMICAL LAWSUIT

Mr. Bullbrook: I have a question of the Premier: In view of the fact that discussion in this Legislature, in relation to the institution of action by the government against Dow Chemical and the motivation of the government concurrent therewith, was ruled out of order by the chairman of the standing committee on supply, on Tuesday, May 11, 1971,

perhaps the Prime Minister could convey to this House what public good is served by making pronouncements such as he made in Sudbury Tuesday last for partisan political advantage in connection with the motivation of government in instituting this action?

Secondly, as a lawyer, does he not worry about the possibility of contempt of court since the matter is before the Supreme Court of this province?

Hon. Mr. Davis: Mr. Speaker, I have no worry about the latter at all. I made no references to the facts or anything else as they related to the Dow case. I was talking about matters of environment and referred to the Dow decision. I may even—

Mr. Bullbrook: We cannot do it in here. The Prime Minister can do it outside.

Hon. Mr. Davis: I may even refer to—I did not debate it; I did not say whether it was right, wrong or anything else.

Mr. Bullbrook: The Prime Minister talked about his motivation.

Hon. Mr. Davis: I did not say anything else. All it was was a pure statement of fact—what government had done, as simple as that.

Mr. E. W. Martel (Sudbury East): Which was nothing.

Hon. Mr. Davis: The same way as I made some reference—

Mr. Bullbrook: A partisan act.

Hon. Mr. Davis: —on one or two occasions to a decision related to a certain expressway.

Mr. Bullbrook: By way of supplementary then: Can we then properly infer from the statement that the most important motivation in suing Dow Chemical—

Mr. Lewis: What does the Prime Minister mean by “a certain expressway”?

Hon. Mr. Davis: Pardon?

Mr. Lewis: Do not be afraid to say Spadina.

Mr. Bullbrook: —was for the political advantage and not for the protection of the public good?

Interjections by hon. members.

Hon. Mr. Davis: Mr. Speaker, the member for Sarnia well knows everything we do in this government is for the advantage of the

public and the people of this province. It has nothing to do with politics whatsoever!

Mr. Bullbrook: It is going to take four years and the Prime Minister knows it.

Interjections by hon. members.

Hon. A. F. Lawrence: What is the hon. member's motivation?

Mr. Speaker: The question period as extended 23 minutes has now expired.

Mr. Sargent: It was the Minister of Public Works who extended it.

Mr. Speaker: We had a 23-minute statement.

Petitions.

Presenting reports.

Mr. R. G. Hodgson from the standing private bills committee presented the committee's report which was read as follows and adopted:

Your committee begs to report the following bill with certain amendments:

Bill Pr30, An Act respecting the City of Toronto.

Hon. A. F. Lawrence: Mr. Speaker, I would like to table the report of the Ontario Law Reform Commission on land registration; and if I may, sir, I have a statement. I assume it is in order to go on.

Shortly after it was established in 1964 the Ontario Law Reform Commission initiated an extensive research project concerning the law of property. This particular part of the programme has been divided into 10 sections and reports have already been submitted on some sections, such as condominium and landlord and tenant law, applicable to residential tenancies.

One major section of the project was devoted to the law and the practice pertaining to land registration. The commission's report on land registration was completed and submitted to me on March 23 of this year. The two major recommendations contained in this report are, firstly, that a new and improved land titles system should be adopted to replace both the existing land titles system and the registry office system of land registration in Ontario.

Mr. Singer: There is a new idea.

Hon. A. F. Lawrence: Secondly, that the keeping and management of records in the

new land registration system should be computerized in order to achieve maximum efficiency and economy.

With respect to the major recommendation for the adoption of a new and improved land titles system in Ontario, the report sets forth proposals covering essential points in the design of the new system. The new system would continue the substantial advantages of the existing land titles system in the matter of affirmation of title. It would also eliminate the repetitive searching which is such an unhappy characteristic of the registry office system of land registration.

Mr. Singer: Will wonders ever cease!

Mr. Nixon: Half the legal profession will never survive!

Hon. A. F. Lawrence: The new system would retain great flexibility, enabling the creation of a wide variety of interest in land. The recommended design of the new system is also aimed at a substantial reduction in the number of enforceable claims against the land, such as provincial and municipal government liens. For those liens which are recommended to be retained because they secure major sources of government revenue, the process of recording and enforcement would be simplified, and may I also say the manner of searching them out would be greatly simplified as well.

The report of the commission has annexed to it a very thorough study and analysis of the comparative costs of manual, as against computerized, systems of land registration. This study confirms that substantial economies are available from computerization, provided that conversion to the new system is done in relatively large areas and within a relatively short period of time. Aspects of conversion are dealt with fully in the commission's report, and it is recommended there that conversion be carried out on all lots within substantial blocks selected in accordance with a well-defined administrative plan.

The government has taken this report under consideration, but it will be readily understood, if from nothing else than the size of the report, sir, that the recommendations have far-reaching effects which will have to be assessed before we may come to our conclusions as to what action may be taken in the light of these recommendations. I do say to you that the recommendations are most interesting and we look forward to the comments which they will no doubt generate from constructively minded individuals.

Mr. Speaker: I beg leave to present this report to the House and would advise that copies will be forwarded to all members as soon as they are available.

Mr. Lawlor: Mr. Speaker, on a point of order. May I ask a question as to this tabling, on a point of explanation?

Mr. Speaker: Would the member please repeat the question? I did not hear it.

Mr. Lawlor: May I ask a question of the hon. minister in explanation of this tabling?

Mr. Speaker: I think not. It has not been our custom and our practice. Tomorrow morning—

Mr. Lawlor: I thought it was the practice.

Mr. Speaker: No, it has not been the practice to have any questions on the presentation of reports. This is a fairly short statement on the tabling of the report.

Mr. Lawlor: When, Mr. Speaker, are we going to have an opportunity to tackle this minister?

Mr. Speaker: I would anticipate that in the question period tomorrow morning the hon. member would have that opportunity.

Mr. Stokes: We did not get that opportunity today.

Mr. Speaker: Motions.

Hon. A. A. Wishart (Minister of Financial and Commercial Affairs): Mr. Speaker, I am informed through the whips for all parties that they have consented that the estimates of The Department of Trade and Development would go to the standing estimates committee.

Mr. Peacock: The minister means that he is weaselling out of the House.

Hon. Mr. Wishart: I understand that all parties have consented.

Hon. Mr. Wishart moves that the estimates of The Department of Trade and Development stand referred to the standing estimates committee.

Motion agreed to.

Mr. Lawlor: Why does the minister not have hearings at Ontario Place?

Mr. Speaker: Introduction of bills.

UNIVERSITY OF TORONTO ACT, 1971

Hon. Mr. White moves first reading of bill intituled, The University of Toronto Act, 1971.

Motion agreed to; first reading of the bill.

Mr. Lewis: Why does the Minister of Financial and Commercial Affairs not introduce a no-fault insurance Act this afternoon?

Hon. J. White (Minister of University Affairs): Mr. Speaker, this bill is essentially the same as the bill introduced by me as an exposure draft in this Legislature about three weeks ago. That exposure draft bill was circulated so that parties interested in this particular legislative matter would have an opportunity, in advance of first reading, of studying the details and learning of the principles, thereby enabling them to make suggestions at that rather early stage in the development of the legislation. I am happy to inform the House that approximately 40 briefs were received from the administration, from the faculty, from the several student groups, from the alumni and other interested parties. These 40 briefs number something like 300 pages in length. They have been carefully analysed by my officials and considered by me and have led to a number of changes in the details.

The two basic principles which are matters of government policy remain unchanged, namely that there will be, as provided in the bill, a unicameral form of government and that the governing council will be comprised 50 per cent from the public.

We anticipate the bill going into the standing committee on human resources and we are prepared to consider at that stage changes in certain of the other details.

Mr. Pitman: I wonder if I could ask the minister a question?

Mr. Speaker: On a point of clarification?

Mr. Pitman: On a point of clarification. Would it be possible for the minister to see that copies of the briefs that have been received—the 40 briefs that the minister mentioned—could be made available to the members of the human resources committee so that we could bring to the study of this bill some further background?

Hon. Mr. White: I do not know if I can undertake to have copies for every member, but certainly I will—

Mr. Pitman: For each party, if possible.

Hon. Mr. White: —provide a recapitulation for some number of people who are interested in the subject, such as my hon. friend, and the member for Lakeshore and the member for Scarborough East (Mr. T. Reid). And if it is possible, mechanically, to produce the required number for every member, of course, I will do that too.

Hon. Mr. Wishart: Mr. Speaker.

Mr. Speaker: A bill?

Mr. Lewis: Oh, indeed?

INSURANCE ACT

Hon. Mr. Wishart moves first reading of bill intituled, An Act to amend The Insurance Act.

Mr. Stokes: No-fault insurance?

Hon. Mr. Wishart: No-fault.

Mr. Lewis: The minister should not overdo it.

Motion agreed to; first reading of the bill.

Hon. Mr. Wishart: Mr. Speaker, this bill provides for accident benefits payable on a no-fault basis to be mandatory in all automobile liability insurance policies. I am confident that this bill will be accepted and supported unanimously on all sides of the House and will be welcomed and accepted by the people of this province.

The object is to provide more basic indemnity for economic loss due to bodily injury or death resulting from a motor vehicle accident. It will give Ontario citizens the best no-fault insurance package of any jurisdiction on this continent.

Mr. J. Renwick: At what premium rates?

Hon. Mr. Wishart: This bill requires that beginning on January 1, 1972, all motor vehicle liability insurance contracts must include the no-fault programme.

Mr. J. Renwick: Well, well, well!

Hon. Mr. Wishart: This bill covers all insured motor vehicles, including motorcycles, motor scooters, snowmobiles, trucks and buses. Passengers, pedestrians struck by an insured vehicle, or members of the family of the owner of the insured vehicle while still living at home, are eligible for benefits if involved in a motor vehicle accident.

There are a number of pertinent features of this bill, which I would like to outline to the hon. members. Medical and rehabilitation benefits up to \$5,000 per person will be paid on the death of the head of the household. A benefit of \$5,000 will be paid for the primary dependant, plus \$1,000 for each additional dependant; \$2,500 will be paid on the death of a spouse in a two-parent household; \$1,000 will be paid on the death of dependent children under 21 years of age, except for children under age five when the benefit is \$500.

A weekly disability benefit of 80 per cent of earnings up to a maximum of \$70 per week will be paid to an employed person during the entire period of his disability. This is double the existing rate under present voluntary legislation and substantially greater than the \$50 paid in British Columbia or the \$25 paid in Saskatchewan.

Mr. Lewis: Before today!

Hon. Mr. Wishart: In addition, the time limitation on present disability benefits is removed. A disability benefit of \$35 per week for up to 12 weeks is payable for the spouse or principal unpaid housekeeper residing in the household and not otherwise engaged in occupation or employment for wages or profit.

Under this bill the present waiting period of seven days or more, which exists here and in other jurisdictions, has been eliminated. Benefits will now begin from the first day of injury. The right of innocent parties to obtain additional benefits through negotiation or the courts is retained, but most personal injury claims are expected to be provided for by this no-fault system.

There is little likelihood of higher insurance rates—

Mr. Lewis: It says “no likelihood” in my copy. The minister has now said there is little likelihood.

Hon. A. F. Lawrence: What is the member doing with a copy?

Hon. Mr. Wishart: There is no likelihood of higher insurance rates because of the proposed no-fault programme. There will be no increase in accident benefit rates in 1972.

Mr. J. Renwick: They have discounted this?

Mr. Lewis: Accident benefits have already been raised.

Hon. Mr. Wishart: No, they have not raised them.

Mr. Lewis: Sure it is. It is 12 per cent; it is already up.

Hon. Mr. Wishart: The ministerial committee is continuing its study of no-fault property damage insurance and other plans in an effort to eliminate the delays and inefficiencies resulting from the present system, which requires the determination of responsibility before compensation.

In addition to enriched accident benefits on a no-fault basis, this bill will also provide for the issuing of automobile insurance certificates in lieu of an insurance policy.

The bill also includes amendments to existing provisions with the respect to the twisting of life insurance contracts, reinsurance of Ontario insurance contracts, regulations for classes of insurance and unauthorized investments of insurers. Some general clarifying amendments are also included.

Mr. Speaker, this bill represents an important step in our continuing efforts to alleviate the sometimes ruinous economic burdens imposed on individuals and families by sudden death or injury. I commend the bill to the House for study and early passage, so that all technical aspects can be adequately dealt with to meet its proposed effective date of January 1, 1972, which is just about six months from now.

Mr. Lewis: It is the first step. There is lots of fighting ground left.

Mr. T. P. Reid: By way of clarification, if I may: Does this mean that automobile insurance will now be compulsory? Do all vehicles have to be insured?

Mr. Speaker: This is not a clarification.

Hon. Mr. Wishart: I would be glad to answer, Mr. Speaker.

Mr. Lewis: That is clarification.

Mr. Speaker: That is not a proper question for this time. It is a proper question for second reading.

Mr. Lewis: By way of a point of order, Mr. Speaker, you allowed a point of clarification on the previous bill. That is germane to the bill.

Mr. Speaker: It was quite different, in Mr. Speaker's opinion.

Mr. Lewis: Most extraordinary. On a point of order, you know, Mr. Speaker, I want to say with respect, sir, that your insensitivity

to the debate in this House sometimes surprises me. This is, relatively speaking, a new departure for the government; it highlights a major change for them at least in this area. We asked a simple question. I want a simple answer on clarification. Surely, you can permit that be answered.

Mr. J. Renwick: It is going to be asked outside in any event.

Mr. Lewis: It is going to be asked outside the House.

Mr. T. P. Reid: Especially when the minister is prepared to answer.

Mr. Stokes: The minister is prepared to answer.

Mr. Speaker: The Minister of Health has a bill to introduce?

HEALTH SERVICES INSURANCE ACT, 1968-1969

Hon. A. B. R. Lawrence moves first reading of bill intituled, An Act to amend The Health Services Insurance Act, 1968-1969.

Motion agreed to; first reading of the bill.

An hon. member: I recognize it.

Mr. Lewis: This will be a government plan.

Hon. Mr. Wishart: That will be clarified. The member will have to wait.

Mr. Lewis: The minister has changed "may" to "shall". That is quite a system.

Mr. Singer: Why do we not just let the two noisy members talk and dispense with everything?

Mr. Lewis: I do not know what we would do without the Minister of Health.

Hon. A. B. R. Lawrence (Minister of Health): Mr. Speaker, this sets out the system and power under OHSIP for a financial and medical audit of physicians and medical practitioners. The original power is given to the director to refuse and reduce payments. He is also given the power to appoint inspectors. There is an appeal from his decisions to an appeal board and from there on to the courts following the principles of Mr. McRuer.

The bill also establishes a system under which the physician practising must choose his mode of practice; that is, whether he will choose to bill the plan or whether he will

choose to have a practice based on billing patients direct.

It also provides for the movement of a physician's system of practice from one of "bill patient" to "bill plan."

Mr. Speaker: The Attorney General.

JUDICATURE ACT

Hon. A. F. Lawrence moves first reading of bill intituled, An Act to amend The Judicature Act.

Motion agreed to; first reading of the bill.

Hon. A. F. Lawrence: Mr. Speaker, generally speaking, this is a housekeeping bill to clear up certain procedures in relation to The Judicature Review Procedure Act which has been introduced into this House and relates to certain rule changes and appeals, and the procedures relating to the new divisional courts.

HOTEL FIRE SAFETY ACT, 1971

Hon. A. F. Lawrence moves first reading of bill intituled, The Hotel Fire Safety Act, 1971.

Motion agreed to; first reading of the bill.

Hon. A. F. Lawrence: Mr. Speaker, this is a major policy bill. The present Hotel Fire Safety Act, which goes back a number of years, requires updating to recognize new concepts of accepted methods of building design; the use of newly devised construction materials; and to ensure that the travelling public have a reasonable degree of fire safety when staying in hotels.

Also, the present Act has been found to be somewhat vague and ambiguous, and is therefore confusing to the hotel industry in the province and to those having responsibility in administering it—administering the present Act, that is. Because of these circumstances my predecessor, in consultation with the then Minister of Tourism and Information and the then Provincial Secretary and Minister of Citizenship, established a committee to review the Act and the regulations.

This committee was composed of representatives of The Department of Tourism and Information and the Liquor Licence Board, which licences hotels, and two representatives from the hotel industry. The chairman of the committee and the secretary are from the staff of the fire marshal.

The bill contains all of the recommendations the members representing the hotel industry and they express the hope that a new Act and regulations be passed and come into force as soon as possible, pointing out that this was the wish of the hotelkeepers of the province. In order to provide the same standard of fire safety for the travelling public in Ontario, the committee agreed that the provisions of a new Act and regulations should apply to both new and existing hotels, but that for existing hotels reasonable time should be allowed for them to be brought up to the standard.

This proposal appears reasonable to the government, having regard to the fact that the standard of fire safety in the present Act has been in force for over 20 years. Accordingly, the bill makes provision for phasing requirements of some of the major items.

The proposed legislation includes a very major change in the present policy, by requiring the fire marshal to undertake the inspection of hotels, for the purposes of enforcing The Hotel Fire Safety Act, rather than the present system of administration by the inspectors of the Liquor Licence Board and of The Department of Tourism and Information.

It would also extend the plans approval service, presently provided to the Liquor Licence Board by the fire marshal, to The Department of Tourism and Information as well.

This change in having the fire marshal responsible for the inspection of hotels, in matters pertaining to fire safety of such premises, was strongly desired by the hotel industry representatives, as was the extension in the plans approval service, so that it will apply to all hotels when they are licensed by the Liquor Licence Board or by The Department of Tourism and Information.

The provisions of this new Act will, I believe, be welcomed by all concerned in the fire safety of such premises and it will reduce the possibility of a fire occurrence and injury and loss of life from fire. The new Act will also have the added advantage, for administrative purposes, and for the hotel industry itself, of having only one governmental agency—namely, the office of the fire marshal, which is recognized by the hotel owners, I believe, as being highly qualified—responsible for fire safety in hotels.

FORT WILLIAM LAND TITLES AND REGISTRY OFFICE ACT, 1917

Hon. A. F. Lawrence moves first reading of bill intituled, An Act to repeal The Fort William Land Titles and Registry Office Act, 1917.

Motion agreed to; first reading of the bill.

Mr. Singer: This is a major piece of legislation too, I can tell you.

Hon. A. F. Lawrence: As is indicated by the title, the Act repealed divided the district of Thunder Bay and the land titles and registry division of Port Arthur and Fort William. The repeal makes possible the combining of the land titles and registry division in the city of Thunder Bay.

SURROGATE COURT ACT

Hon. A. F. Lawrence moves first reading of bill intituled, An Act to amend The Surrogate Court Act.

Motion agreed to; first reading of the bill.

Hon. A. F. Lawrence: Mr. Speaker, this is a housekeeping bill only relating to the administering of the oath of office of a surrogate court judge, the days on which the court offices may be closed, the destruction of papers in surrogate court offices, and it restores the former office of surrogate court clerk for Ontario.

COUNTY COURTS ACT

Hon. A. F. Lawrence moves first reading of bill intituled, An Act to amend The County Courts Act.

Motion agreed to; first reading of the bill.

Hon. A. F. Lawrence: Mr. Speaker, this is an amending bill providing that an appeal from a taxation by a county court clerk will now follow the steps set out in the rules of court. It is merely a housekeeping amendment.

FARM PRODUCTS MARKETING ACT

Hon. Mr. Stewart moves first reading of bill intituled, An Act to amend The Farm Products Marketing Act.

Motion agreed to; first reading of the bill.

Hon. Mr. Stewart: Mr. Speaker, the purpose of this bill is to permit the government

of Ontario to participate in any national marketing plan that might be established for a farm product by the government of Canada.

Mr. Speaker: Orders of the day.

EXERCISE OF STATUTORY POWER GRANTED TRIBUNALS

Hon. A. F. Lawrence, in the absence of hon. Mr. Davis, moves second reading of Bill 53, An Act to provide Procedures governing the Exercise of Statutory Power Granted Tribunals by the Legislature wherein the Rights, Duties or Privileges of Persons are to be Decided at or following a Hearing.

Mr. Speaker: Does the minister wish to lead off?

Hon. A. F. Lawrence (Minister of Justice): I have a statement about the amendment.

Mr. Speaker: The minister merely wishes to make a statement about the amendment? Does he contemplate closing the debate on second reading?

Hon. A. F. Lawrence: Yes, Mr. Speaker.

Mr. Speaker: Is this agreeable? That he do that?

Mr. V. M. Singer (Downsview): Well, he can do it whenever he wants.

Mr. Speaker: Yes, but you see, one may speak only once on a second reading.

Mr. Singer: Certainly, we consent.

Mr. Speaker: The minister can speak twice on introduction.

Mr. J. Renwick (Riverdale): There is a serious omission in this bill. If he has found it, we would be glad to listen to him.

Mr. Speaker: The minister might please have the floor.

Hon. A. F. Lawrence: Mr. Speaker, in moving the second reading of this bill, The Statutory Powers Procedure Act, 1971, I do have an announcement to make as to the intentions of the government which may be of assistance to all members of the House as they debate this second reading.

In the preparation of The Statutory Powers Procedure Act, 1971, the target of

the government has been to establish a fair procedure that would apply to all tribunals. It has been recognized from the outset, however, that the Act cannot be applied in a set, specific doctrinaire way. As Mr. McRuer points out in the first volume of his report:

It must be recognized, however, that not all governmental decisions that may affect the rights of individuals can be controlled by defined procedure. In certain cases it is essential to the purpose of the statute that prompt action be taken without any antecedent procedural requirements, for example, the seizure and destruction of food unfit for human consumption, orders to take safety measures such as the directions of an inspector under The Factory, Shop and Office Building Act or the exercise of emergency powers such as under The Energy Act. In such cases the imposition—

I am still quoting from Mr. McRuer, Mr. Speaker:

In such cases the imposition of normal procedural rules would frustrate immediate necessary governmental action and destroy the protection given to the public by the statute. In other cases, insistence on a procedure that is too elaborate and too formal may unduly impede or delay efficient administration. For example, the disposal of claims under The Workmen's Compensation Act requires an expeditious procedure if an award of compensation is to be immediately useful to a disabled workman.

I am still quoting:

The basic problem in establishing a just procedure for the exercise of its statutory power is the reconciliation of procedural justice with effective government.

This bill, sir, therefore provides a standard procedure that will apply to all proceedings in which a statutory tribunal makes a decision except where this Legislature makes provision for departure therefrom to meet special circumstances. These special circumstances may require the standard procedure to be varied or to be excluded altogether. The special provisions will be made by an amendment to the particular Act, establishing the statutory tribunal to which the procedure would otherwise apply. Since the bill was prepared, the hon. Mr. McRuer has delivered his report number three, volume 3, dealing specifically with 21 boards, commissions or officials who make decisions. This report makes—

Mr. Singer: Volume 5.

Mr. P. D. Lawlor (Lakeshore): Volume 5.

Hon. A. F. Lawrence: I am sorry. His report number three, volume 5.

This report makes many recommendations, both procedural and otherwise, which will require careful study for which time has not yet been available. Special provision may have to be made to meet these recommendations to the extent they are found to be acceptable in the particular Act under which these tribunals operate. In addition, although The Civil Rights Amendment Act, 1971, will amend 92 statutes to integrate them with The Statutory Powers Procedure Act 1971, there are, as the Prime Minister stated on introduction of that bill, approximately 150 statutes of Ontario, including the 21 already mentioned in Mr. McRuer's latest report, that have not yet been reviewed in the light of The Statutory Powers Procedure Act, 1971.

Until the recommendations made by the hon. Mr. McRuer in his report number three and the remaining statutes can be reviewed, the government has decided that power should be taken to postpone for a limited time the application of The Statutory Powers Procedure Act, 1971, where its immediate application to proceedings of particular tribunals might raise problems. Such postponement will give to the government and to the Legislature time to consider amendments to deal with the extent to which The Statutory Powers Procedure Act, 1971, should apply and to make appropriate provisions for special cases.

Therefore, sir, at an appropriate stage in the debate, an amendment to the bill will therefore be moved on behalf of the government to add to it a new section as follows—and I quote 37(1):

The Lieutenant-Governor-in-Council may by order postpone the application of part 1 of this Act, or of any provision of that part to proceedings under any Act to which it might otherwise apply, or exempt such proceedings therefrom for any period and may, at any time, revoke such order, but no such period of postponement or exemption shall extend beyond one year after the coming into force of this Act.

(2) An order made under section 1 shall be tabled in the assembly within 15 days after it is made or if the assembly is not then sitting, within 15 days after the commencement of the next following session.

The hon. Mr. McRuer, sir, in his report, recommends generally that powers of exemption from the application of statutes should not be conferred on the Lieutenant-Governor-in-Council or on a minister on the ground that this is tantamount to the power to amend the statute.

The proposed power does not confer any power to amend the Act or permanently to exempt any tribunal. It is a transitional provision of limited duration only. It will permit the government to submit to the Legislature any appropriate amendments to legislation necessary to avoid dislocation of administration that might be caused by an immediate application of The Statutory Powers Procedure Act, 1971.

An example, for instance, of a statute for which such a postponement is necessary is The Workmen's Compensation Act. I am advised that The Statutory Powers Procedure Act, 1971, the one we are dealing with now, will not apply to proceedings by the Workmen's Compensation Board under The Workmen's Compensation Act.

Opinions have been expressed to me to the contrary effect, however, that the Act will apply. The government feels that is undesirable that there should be any doubt in the matter at all. The government recognizes that the investigatory procedure now followed by the Workmen's Compensation Board should not be altered to an adversary procedure. It therefore proposes to postpone application of The Statutory Powers Procedure Act, 1971, as far as it affects the Workmen's Compensation Board, should it be applicable, until a full study of appropriate amendments to that Act to carry out the acceptable recommendations of the hon. Mr. McRuer's report No. 3 can be made.

The same problems may arise with respect to proceedings of tribunals under other statutes and the government feels it desirable to take powers to deal with them in the same way, should it become necessary. Postponement orders will, as the amendment provides, be tabled in the House.

Mr. Speaker: The member for Downsview.

Mr. Singer: Mr. Speaker, I have listened with some interest to the statement made by the minister now and also to the remarks made by the Premier at the time these four bills were introduced.

The explanatory notes that go along with them are very full, and I am just wondering if we might not be able to prevail on the

Attorney General to perhaps deal with all these four bills together in one package.

Hon. A. F. Lawrence: It would certainly be agreed.

Mr. Singer: It would seem to me, Mr. Speaker, that the remarks that can be made on the second reading are, in fact, general in nature.

We in the Liberal Party particularly, have talked about this sort of thing for nigh on 13 years. We made a very substantial presentation along these lines in 1965 and we hailed, along with many people, most of the recommendations made by Mr. Justice McRuer. Many of them are now being presented to us, Mr. Speaker, in the form of these bills. The legislation is comprehensive.

Mr. Lawlor: All the government had to do was listen to the member. They did not need Justice McRuer. They could have saved themselves a lot of trouble.

Mr. Singer: I agree. The member for Lakeshore makes a very valid point. I could have been retained. I do not know what they paid Mr. McRuer, and I do not know whether I would have charged more or not, but, the material was there and available to them from the early 1960s on and expanded at some substantial length in 1965.

Mr. Lawlor: Come off it now. I meant a certain type of—

Mr. Singer: I am sorry the member for Lakeshore was not here at that time. Perhaps he could have assisted us in that presentation.

Mr. Lawlor: Having heard for four years what the member has said, I could not possibly have believed that.

Mr. Singer: Well, the member for Lakeshore is in one of his obstreperous moods this afternoon. If he wants to rant and rage, let him feel free. I am not—

Mr. Lawlor: From the state of somnolence the member has jettisoned me into the space age. My God, what a ridiculous thing. Plumbing himself. He should be ashamed of himself.

Mr. R. F. Ruston (Essex-Kent): The member for Lakeshore should just sit back and listen to some good common sense.

Mr. Lawlor: All right. I will shut up.

Mr. Singer: If the member for Lakeshore is through, Mr. Speaker, perhaps I can pick up where I started. What I was saying was that the substantial principle in these four statutes has been placed before this House in a variety of ways and, particularly, at the instance of the Liberal Party over the period of the past 13 years. If the member wants the substantial Hansard references, I can gladly supply them to him, provided that he will guarantee that he will read them and pay the proper respect that is due to the intelligence and depth of those recommendations.

Mr. J. Renwick: At an appropriate point, I have a point of order, whenever it is convenient.

Mr. Singer: Mr. Speaker, what I was trying to say—I am having great trouble with the duo here.

Mr. J. Renwick: I am trying to be most courteous. At a convenient point, I have a point of order.

Mr. Speaker: Order! We have got more points of order? Yes. Pardon me, after—

Mr. Lawlor: Mr. Speaker has a point of order.

Mr. Speaker: After hearing the discussion of the last few minutes, and since the minister is agreeable to having the four bills considered together, and it seems to be agreeable to all, it would be probably better for the minister to place the other three bills at this time. Is that not agreeable?

Mr. J. Renwick: Mr. Speaker, I discussed this briefly with my colleague from Lakeshore and we think it would be unwise, both from the point of view of the public record and from the point of view of an orderly dealing with the bill, to deal with them seriatim rather than all at once.

An hon. member: Hear, hear!

Mr. Speaker: Well then, we have before us Bill 53.

Mr. Singer: All right, Mr. Speaker, I was trying to save the time of the House and spare us four speeches from the hon. member for Lakeshore, which would—

Mr. Lawlor: If you come in with such a thin preparation that you have to do them all at once.

Mr. Singer: Oh, would the hon. member for Lakeshore shut his trap until he gets the floor.

Mr. Lawlor: God help us.

Mr. Singer: All it is is pointless prattling.

Mr. J. Renwick: The problem for you in dealing with them one at a time is that you will have to be specific.

Mr. Singer: Are the two of you through? Or are you just going to keep on with your pointless noise?

Mr. Speaker: Back to Bill 53.

Mr. Lawlor: Stick to it.

Mr. Singer: Mr. Speaker, as I started to say, the four bills, even though we are now only debating the first one, Bill 53, are substantially in accordance with principles that have been enunciated in this House for a long time by myself and by my colleagues in the Liberal Party. Now, Mr. Speaker, it would seem to me that the best way to deal with these bills, and it is a suggestion I made to the minister at an earlier point would be to make sure that there is a reference to the committee dealing with—what do they call it—legal and administrative bills. I think that is committee No. 1. Is that the correct title? Whatever it is—committee No. 1. You know, this is an afternoon filled with obstacles. First I have the ones on my left and I am trying to get the minister's attention, and I have the clerk in my view here.

Mr. R. J. Boyer (Muskoka): He is a good looking man.

Mr. Singer: Mr. Speaker, as I was trying to say to the Minister of Justice, through you, if I now have him with me.

Mr. R. M. Johnston (St. Catharines): The member should give it up and come back tomorrow.

Mr. Singer: It is a very difficult afternoon. I would think that there would be a substantial achievement which would result. If the minister would be prepared to give us his undertaking that this bill will go to the first committee, the standing committee on legal and administrative matters?

Hon. A. F. Lawrence: Tuesday morning.

Mr. Singer: On Tuesday morning. And if the minister, through his department, would issue as warm invitations as he possibly could—there it not too much notice time available—certainly to such people as Mr. McRuer, to the deans of the four or five law schools here in Ontario, to the Law Society in case they

would care to send someone, and to those specific—

Mr. J. Renwick: The Law Reform Commission.

Mr. Singer: The Law Reform Commission. Once in a while the hon. member for Riverdale has a good thought. Perhaps even the judiciary. I do not know if there might be a justice of the Supreme Court or perhaps one of the judges of the county court who might be interested in coming here.

I do not think, Mr. Speaker, that the kind of discussion that is likely to take place in connection with these bills is going to be of the sort of partisan nature that we sometimes get into on other matters. I think we should have the advantage of having before us those people who are as familiar as anyone else within the Province of Ontario with the problems that are being dealt with by these particular bills in an attempt to solve them.

Turning my attention more particularly to Bill 53, since the NDP seems to be determined that we are going to have to go through this same thing pretty well four times—

Mr. Lawlor: We are going to perform our responsibilities.

Mr. Singer: The hon. member for Lakeshore can look after his responsibility.

Mr. Lawlor: If the member wants to renege on his, let him go right ahead.

Mr. Singer: He will have ample time to get up and make his philosophic peroration insofar as his responsibility demands it, if he will just keep quiet and let me discharge what I think is my responsibility.

Mr. Lawlor: All right. Leave us out of it then. Go ahead.

Mr. Singer: The hon. member for Lakeshore is awfully sensitive and determined—what have you got? Have you got another platonic oration this afternoon about the theory of administrative tribunals that is going to go on for 20 or 30 hours?

Mr. Lawlor: No. I am just going to deal with the Act. I am going to deal with the bill instead of the Liberal Party. I find the Liberal Party so negligible these days. I shall not bother any more.

Mr. Speaker: Order, please? We are dealing with second reading of Bill 53. The hon. member for Downsview has the floor.

Mr. Singer: Thank you, Mr. Speaker. The hon. member for Lakeshore occasionally has some good ideas. This afternoon he is off on another of his wild dreams. I do not know what gets him so affected in these things.

Mr. J. R. Smith (Hamilton Mountain): Yes, the member was, too.

Mr. Lawlor: Why did the member not go off to the Premier's conference?

Mr. Singer: Mr. Speaker, the general purpose of the bill, to eliminate uncertainties in the law insofar as the powers of tribunals are concerned, I think, has to come.

The fact that we are codifying things that have not been said in one statute; the fact that it is going to apply generally to all—it has to apply generally to all administrative tribunals—makes it very clear to those persons who have to deal with these tribunals that there is an established pattern, and that the laws dealing with these matters are no longer going to be as long as the chancellor's foot; they will be written in the statute and then they will apply.

It will certainly militate in favour of standardized procedure. It will certainly raise the level of advocacy before these various administrative tribunals, and it will certainly produce within the bar, and perhaps without the bar—the legal bar—a standard of qualification and a standard of training that is most important and allow a very substantial degree of specialization within accepted rules.

I think this is all to the good because more and more, as our methods of government become complicated, are we going to need not only the administrative boards that we have, but there are going to be many more created over the next many years. There has to be a standardized form of procedure that is going to deal with these matters and that is the real thrust of this bill.

I listened with attention to the minister's suggestion about the postponement—or the power of the Lieutenant-Governor-in-Council to postpone—and my immediate reaction, until he got into the phraseology, was that this was not a particularly inviting suggestion; until he pointed out that there was going to be an absolute limit on it, if I caught his wording correctly, of one year from the date of passage of this bill. From the date that this bill is given royal assent, I would presume that would be the fixed date?

That is all right, I can understand the difficulty. If there was any suggestion that it would carry on any longer then, with or without the McRuer recommendations, I would have found that suggestion abhorrent. My understanding again—although I do not have a copy of the text of the amendment, we will get it later—is that, come what may, this can no longer be extended without another enactment by the legislature of the Province of Ontario. And for those reasons I think it makes some sense. I recognize that there are difficulties.

The bill is divided into a number of parts: procedures for tribunals and powers of tribunals, certainly the spelling out of what is the meaning of the rules of natural justice—the right to be represented, the right to have the production of documents, the right to call witnesses, the right to cross-examine witnesses, the right to be present. All these rights are there and are recognized, but it is undoubtedly a very substantial advantage that we can now find them in the statutes. Because once in a while it has been my experience, Mr. Speaker, that persons in charge of a variety of administrative tribunals sometimes approach their task without any legal background at all. They are without any knowledge of legal procedures, and are often sort of caught up in what they think seems fair without any real understanding of what the term “natural justice” might mean.

While the courts have sat in the past as watchdogs, it is a lengthy and complicated and often very difficult procedure for those persons involved, particularly for the citizens who become involved in this thing, to have to go through the additional appeal procedures where those dealing with the administration are not fully aware of what their duties and responsibilities are. So the point in setting these forward and the reason that McRuer has spelled them out so fully is just so that there will be this kind of a code of procedure.

My friend from Lakeshore was nattering away a few moments ago, but I think if he wants to look back into the statutes he will see draft statutes introduced into this Legislature, over a period of several years, in name of myself and the name of my colleague from Sudbury (Mr. Sopha) and so on. So I think, Mr. Speaker, it is fair comment that, at the time this sort of thing comes before the House, which we had advocated seriously, which we put forward in the spirit of trying to arrive at a better system for the conduct of affairs of administrative

tribunals, that that be an important part of the comments that we put before the House. And I will not be deterred in this by the rudeness of the member for Lakeshore.

Mr. Speaker, I am not going to say very much more about this. Hopefully, we will have the specific opportunity—the Minister of Justice has given this undertaking—to have before us the ladies and gentlemen in this province, who are perhaps the most knowledgeable, in addition to some of the practising professions. And I think at that point, we can deal with it point by point.

I commend the government for acting, albeit somewhat slowly, in this general way. Here, we have the statute and the passage of this statute will be an important part of the scheme of law in the Province of Ontario, to guarantee to the citizens of Ontario their rights before administrative tribunal.

Mr. Speaker: The member for Lakeshore.

Mr. Lawlor: Mr. Speaker, I have seldom heard in this House a more bumptious, more fatuous statement—and besides, the most intellectually arrogant type of statement—as were the preliminary introductory remarks of the member for Downsview. However—

Mr. Singer: Mr. Speaker, I am treating his remarks with the contempt they deserve.

Mr. Lawlor: I at least give him an ounce of credit. Of all the lawyers over there, in the Liberal Party—

Mr. J. Renwick: The member has accomplished his purpose. He has driven him out. He has left.

Mr. Lawlor: —on a matter which is far reaching and deeply felt, in terms of the laws of this province as are these four pieces of legislation before us this afternoon, he, the deputy leader, the lone spokesman, has to come before this House and argue the case alone. What a cop-out, so far as the legal profession is concerned. It should be brought to the attention of the House and the public that in matters of this searching import, the Liberal Party should be found so deficient.

Mr. Ruston: Who are you to call the—

Mr. Lawlor: It is sickening.

Mr. Ruston: It sure is. We have to listen to the member. He has only two of his members listening to him.

Mr. Lawlor: They have a half dozen legal members away for these important matters requiring legal sagacity. Their members are derelict in the responsibility. They have no sense of the job. They no sense of decency at all.

Mr. Ruston: Yak, yak, yak.

Mr. D. A. Evans (Simcoe Centre): The NDP very seldom have more than two members in the House at one time.

Mr. Lawlor: I think it is, Mr. Speaker, an interesting exercise, for a few moments at least, to compare and contrast what the—

Mr. J. Renwick: They cannot ruffle our good humour today.

Mr. Lawlor: —what the earlier Attorney General of this province brought before us in what was supposed to be a similar bill in 1968-1969, having perused both statutes. When this other bill was introduced back in those years, it was not proceeded with, if you will recall. It was sent out for review by all dimensions of the legal profession and others.

A considerable amount of feedback must have come into the offices of the government on this particular hand, because the new bill is a thorough revamping and a very complete overhaul of what was contained in the earlier one. The earlier bill perhaps followed the literal language of McRuer too nicely. This bill, besides spelling out a great deal which was either previously not mentioned at all or mentioned in a kind of cursory way, and drawing out its implications, goes much further in terms of clarity, in terms of its range and what it is expected to cover. It makes it infinitely easier for the judiciary to apply and to understand the language than did the earlier bill. I just wish to give a couple of examples of that.

Section 3, which is completely new, or at least substantially new, outlines those institutions and bodies to which part 1, having to do with the minimum rules, does not apply. It does it in specific terms; it does it expressly, and I think that is necessary to fill lacanae, because otherwise we might very well think that this governed the whole range of legal institutions.

The same thing may be said of section 4, which spells out that there are a diversity of other ways, of alternative methods, to dissolve conflicts which might affect tribunals and which would not be necessarily subject to all the wide range of matters, such as the

Prime Minister outlined when he introduced this new legislation—the business of notice; notice as such; notice of a case to be met; that the hearing be public; that counsel be there; that reasons be given; that the decision be in writing; that there be reasonable adjournments in all the other matters which are encompassed in terms of this bill, and made mandatory and express in proceedings which do go before and are resolved by the tribunals. Those are notable changes over against that previous legislation. I could go on at some length contrasting this and commending the minister.

What it comes down to is this, if I may be a little jocular about it, maybe the government should leave the bulk of its legislation sit around, like good wine and age in the casks. If it can come forward with a revamped piece of legislation of the merit that this particular legislation has, because of the two-year delay in the hearings and the rethinking that took place in the meantime, then I would commend that for half of the legislation brought forward, say, by the Minister of Agriculture and Food, a similar process of aging and healing and reconsideration might take out half the breaches of civil liberties he writes into his legislation.

So the two years or three years have bred a considerable change in the legislation which is all to the good.

There is one specific matter I want to bring to the minister's attention though, in contrasting the two pieces of legislation—and I wonder if the present legislation is all that much better? As a matter of fact I may put it to him that perhaps it is a good deal worse than the drafting that went into the previous legislation—and that has to do with judicial notice and specialized kinds of knowledge which it is imputed or assumed that a tribunal would have dealing with specific areas which are peculiar to its range of activities, whether the range happens to be the bitten flea Act or the horseradish Act, or whatever it happens to be in the various fields.

I would have him look at his previous section 13. I consider it to be of a superior quality than his present section 16 in this particular regard, and he will note that in subsection 2 of 13 back in those days, directly in line I think with McRuer: "A tribunal shall notify all parties to a proceeding of any facts or information referred to in subsection 1"—these are facts and information within the knowledge of the tribunal and not necessarily introduced in evidence—"and shall before

reaching its decision give the parties an opportunity to contest before it any such facts or information," and then it goes on.

If the minister reviews it he will see that he cut back on that severely. He simply left it in terms of judicial notice and said that matters of generally recognized scientific or technical facts, information within its scientific specialized knowledge, are admissible. But there is no opportunity to inform the individuals who may appear before the tribunal that these matters which are in the back of their heads will necessarily be determinative perhaps of the very issue before them, and thereby giving them an opportunity to counteract what is generally recognized specialized knowledge in that field by contrary expert evidence perhaps in order to set their case right.

I would ask the minister to give that a little consideration. Another thing I would ask him is—and perhaps he could explain it—in the Act which we are going to come to, Bill 54, he has taken time out to expressly define in section 1 of that what a statutory power is. For one reason or another, although he has embodied most of the similar definitions in the definition section, he has omitted so to do in terms of the legislation before us. Is there good reason for this? Is it an oversight? Precisely why has that happened?

The only other thing I wish to speak about is the provisions of part 2 and the setting of a rules committee. The rules committee, as the hon. minister will know, in volume 1, page 221, of McRuer, was constituted by 10 individuals specifically set out in McRuer and embodied holus-bolus into the previous legislation.

In his new legislation the minister has cut back severely upon that rules committee. It is a moot question; we could discuss it, as to whether that is altogether beneficial considering the quality of person he had constituted the committee with, but the minister must have had good and overwhelming reasons to look McRuer straight in the eye on this one and reject what he recommended.

You are down to six members. The previous section in the old bill was section 16, in the new it is section 26. And what has happened in effect is that the judiciary, while not being cut out is being severely cut back in its representation on that. Previously we had the Chief Justice of the High Court and then the chief county court judge, whereas now we simply have a judge of the Supreme Court appointed by the Lieutenant Governor.

Another thing the minister has omitted that previously was suggested: I think if I am not wrong that McRuer suggested two professors from the university law schools to sit in and assist in this particular process; whereas the minister has omitted the professorial bodies completely and in the course of that—no I was wrong about that; it is the laymen, he wanted one professor. But sticking to the professors, the minister has omitted them completely from his legislation and there must be good reason again why he feels that they are perhaps supernumerary in this particular regard and cannot make any major contribution, but just what motivated the minister in this particular regard?

McRuer did say that two members of the public should be given representation. The minister cut that to one in the interests, I suppose, of streamlining or keeping the committee in the very restricted, and I suppose that he would argue, highly operative way. I think this whole section might be placed under reconsideration and the role and constitution of the rules committee be defined in the light of what the minister has said on this particular point. We will take that up in committee.

The only other thing I wish to say about the rules committee is that it should be well understood that when other tribunals are seeking to arrive at rules and determine their own internal modes of procedure, the minister made it necessary that they advert and go before the rules committee—at least have a review of their internal rules in this wider sense so that there may be a general uniformity and consistency throughout our laws in this particular regard, and that is altogether commendable.

The legislation—we have waited long for it, as I say, it has grown fruited on the vine—it comes to us, as far as I am concerned as some kind of sweetmeat. We certainly have no cause to complain bitterly at all about it, on the contrary, we give him every commendation in bringing it forward.

Mr. Speaker: The member for Riverdale.

Mr. J. Renwick: Mr. Speaker, I am not going to go on at any great length. We are certainly going to support the principle of the bill, but I think that there are some serious problems that are raised by at least the draftsmanship of the bill, or indeed the interpretation which the government appears to have put upon the recommendations of the royal commission inquiry into civil rights, the McRuer commission.

I would have assumed that in a situation such as this—that is, where you are going to provide procedures governing the exercise of statutory powers—insofar as they affect the rights and duties or privileges of persons and having regard to the statement of the Prime Minister when, due to the importance of the bills, he introduced them himself into the Legislature, that these are bills for people and not for lawyers; that the government's attitude should have been primarily to provide, in the nature of absolute protections, for the rights and privileges of persons who are involved before tribunals.

I am speaking about absolute protections in the sense that I notice throughout the Act in a number of places, Mr. Speaker, a series of conditioning clauses which appear to me to leave it open to a lawyer's interpretation as to whether or not a person is entitled to this kind of protection.

I think particularly, there is a provision which deals with the application of part 1, which is the substantial part of one section of the bill with respect to minimum rules for proceedings of certain tribunals. That is limited. It does not say that this part applies to every tribunal that hears a matter on which a citizen is affected, using the term "tribunal" in the wide sense in which it is defined. Having said that, typical of this government's kind of approach to this legislation, it is immediately curtailed "where the tribunal is required, by under any other Act, or otherwise by law—which is a very nebulous matter—to hold, or to afford to the parties to the proceedings, an opportunity of a hearing, before making a decision."

I had thought that what Mr. Justice McRuer was saying—even in the extensive and detailed analysis of the statutes of the Province of Ontario which he undertook—he was saying to the government: "Wherever there is a decision of a tribunal, then, before that tribunal, we want to make certain that a citizen is entitled to a hearing," and that he did not intend in any way, by his detailed analysis of particular statutes to point out—where there were decisions of tribunals that affected individuals—he did not mean that he wanted this government simply to amend those particular statutes to provide for the hearing.

I think what Mr. Justice McRuer was trying really to say to the government was: "Look, in a day and an age where a citizen is affected by decisions of tribunals, decisions of government, then that citizen is entitled

to a hearing." And he was not saying; "Oh, yes, in this statute, and that statute, we want you to amend it to provide for a hearing under that Act." He said: "That would be most helpful because then the citizen looking at a statute, or any one who is advising such a citizen, has it in one place that, yes, he is entitled to a hearing."

But I do not think that he ever intended to suggest that there are only going to be hearings where a specific statute provided for a hearing and that the only other protection that the citizen was going to be entitled to were those words which lawyers just love to use but which nobody ever quite understands in a specific situation—or where otherwise by law—required to hold or to afford the parties to the proceedings an opportunity for hearing before making a decision.

I simply say that if the government is endeavouring to get across to the citizen of the Province of Ontario that yes, you as a citizen, because of the proliferation of government, because of the kind of statutes which we have to enact for the governance of the Province of Ontario, because of the kinds of authorities that have to be delegated to ministers, to other boards, multitudes of agencies of the government, we want you to know that as a citizen—not as a citizen who has to go to a lawyer for advice as to what his rights are—but as a citizen and as a layman if you feel that you have been aggrieved by a decision, that you have a right to a hearing.

And we as a government recognize that no matter with whatever detailed attention we may go through each and every statute of the province of Ontario, and each and every regulation published under the authority of those statutes, we know that it is not physically possible to enumerate the situations where a hearing is to be held and make certain that each has been exhausted. We know even more than that; that there are many situations where the citizen has been used—and if I may be allowed a partisan political comment—has been used in this province, with the growth of government, to the point where he did not expect that he had any particular position except to feel annoyed and frustrated by some decision that was made.

We think that the reverse is now required, and that is that the government has to say flatly and effectively and informatively to the public: "Look, regardless of what habits we fell into in past years, regardless of what

attitudes we may have had because of the development of the government into a large operation reaching, so far as its authority is concerned, into all aspects of life in the province, we want you to know that this is a total reversal of that attitude. We want you to know that if there is a decision of any official being made pursuant to a statute, or a regulation passed under the statute or in the course of what he assumes to be his duties under a particular operation of government, and you, as a citizen, have that sense of annoyance or that you have been dealt unfairly or unjustly with, you, Mr. Citizen, have a right to a hearing." You do not then have to say to Mr. Citizen: "Mr. Citizen, if you feel annoyed and frustrated and if you are upset about what happened to you, the first thing you have got to do to know whether you have a remedy, is to go to a lawyer and incur the legal costs of finding out whether or not you can do something about it."

That is exactly the position that the government has placed the citizen of the province in, and I say to the minister that so long as he qualifies the right of a citizen to a hearing in this kind of a situation, in the way in which this Act has qualified it, then he will not have achieved the substance and the purpose and the informed purpose of what we believe is the correct interpretation of what Mr. McRuer was about.

Because if the minister will look at the qualification that he has imposed, he will realize immediately that the citizen does not have that sense of right; he has to then go to a lawyer and the lawyer then has to get the book out, get the regulation out, and look at the statute and say: "Is there an appeal procedure provided under this statute or under this regulation?" And if, by chance—as I am quite certain, because of the detailed nature of our laws and regulations—he cannot find it in the statute or in the laws, or there has not been an amendment to every statute to provide for this kind of a hearing, then he is going to have to say, "Well, Mr. Citizen, I am now going to have to consider the question of whether or not otherwise by law you are entitled to a hearing and, Mr. Citizen, if you come back now in about two weeks' time I will have done my homework and I will be able to give you an opinion as to whether otherwise by law you are entitled to a hearing."

I say to you that I do not think, by any stretch of the imagination, that is a tolerable situation when the Prime Minister in his opening remarks, when he introduced these

bills—if I can find the particular statement that he made—made the specific point of saying: "This is a procedure to protect the citizen." It was at the very outset of his remarks.

These bills are not designed for lawyers, but are designed to establish and ensure the rights of individuals whenever they come into contact with the many administrative processes of modern-day government within the jurisdiction of this Legislature.

I want to say to the minister that I had to think long and clearly about this matter to decide whether or not I would raise as a matter of plain principle that we could not accept the bill as it is presently drafted because of that flaw. I say that I came very close to the fundamental conclusion that there was a basic flaw in the statute. But I said no, I am prepared to give the government the opportunity, in committee, in the light of the debate which is taking place in this assembly, to recognize the merit of the position.

This is what we are trying to say to the citizen, Mr. Citizen, Mrs. Citizen, Miss Citizen, Master Citizen: "Wherever you come into contact with government, and you have this sense of annoyance, this sense of frustration, this sense that you have been unjustly done by, that no longer do you have to say to yourself in the local parlance of the time, 'You can't beat city hall,' or you cannot do anything about it. It is a government; it takes too long. You never get anywhere; it is procrastinating. I have not got the time. I am just going to have to swallow my resentment. I will bitch about it to my wife or to my neighbour, but somehow or other I am going to have this continuing sense of annoyance about the governmental system."

I want the minister to understand that we in this party feel very strongly about this particular issue and the qualification which is in the particular section. I want the minister seriously to look at it, because it is of the essence of the position which I really believe the government wanted to achieve, but could not quite get itself to come around to. And I think that is a very important point.

The other thing which I get a little bit concerned about also—I thought for a moment it was rather amusing, but it is really kind of serious—is if you look back to the trial of Galileo and the question of whether the earth

was round or square—or flat I guess it was, round or flat—

Mr. H. Worton (Wellington South): Does the hon. member go back that far?

Mr. Singer: He was there.

Mr. J. Renwick: Then I find strangely enough that the tribunal, in making any decision, can take notice of any generally recognized scientific or technical facts, information or opinion within its scientific or specialized knowledge.

I would say to myself that Galileo would have had a hell of a time before a tribunal under this statute. He would, of course, have been faced with the proposition that it was a generally accepted scientific fact that the earth was flat and not round, and he would not have received justice. I am saying to the minister that there are a number of other situations in this bill where that kind of language is used. I am sure the draftsman with all good faith, wanted to make use of that kind of language.

Mr. Lawlor: Now the minister is a flat-earthier.

Mr. J. Renwick: There are other situations. I am not going to go on at any great length, because the particular clauses in the bill we will certainly be able to deal with at the time, when it comes before the committee next Tuesday morning. But I want to say to the minister that there is no provision in this bill for a person to be warned that he can take the protection of The Canada Evidence Act.

There is a very adequate protection in the bill and I was delighted to see it, with respect to The Ontario Evidence Act, against self-incrimination by any statement, but there is obviously no protection, that any lawyer could advise the citizen that he has, against incrimination under The Canada Evidence Act.

It would appear to me that, some way or other, if it is not competent for this Legislature to deem the person to be entitled to the protection of that Act, at least the tribunal should have the standard provision which we finally had the government accept in some of the professional society bills that he should be told by the tribunal that he has the right to claim protection of The Canada Evidence Act.

There are a number of other such points. They appear to me to be matters with which we can adequately deal in committee. But I do not want to sit down without saying to the minister that the remarks which I made about

the gut part of this bill are matters that touch us in this party very deeply. I want the minister seriously to consider the point which I have made and to give consideration to deleting the four of five areas in which this kind of qualification is destructive of the kind of a result that we really want to achieve in this province and for which the inquiry into civil rights was designed to be the vehicle by which it could be accomplished.

With those remarks, Mr. Speaker, and with that reservation, but in the hope that the Minister of Justice and Attorney General will see the merit of the comment which we make, I simply say, as my colleague from Lakeshore has said, that we will support the bill in principle.

Mr. Speaker: Any further debate on the matter before the minister?

The Minister of Justice.

Hon. A. F. Lawrence: Mr. Speaker, I very much appreciate the comments of the members who have taken part in the debate. I am glad to see that it is recognized, in most quarters of the House anyway, as a constructive step forward by the government.

I would like to indicate to the House and I apologize that I forgot to do it in my earlier statement that, of course, I am quite anxious that the bill should go to the standing committee.

I have asked, and I believe the necessary notices will be prepared providing we proceed through the second reading stage today, for the committee—I think it is now called the standing committee on legal administrative law—to sit on Tuesday morning next; to proceed with, hopefully, all four of these bills, if we go through the second reading stage today on them. There are tricky drafting problems involved. This is obviously the case when one realizes the number of changes that have taken place since the original bill was introduced two years ago by my predecessor.

I must say, however, that I cannot undertake to the House that specific invitations will proceed to all of the people or persons of offices referred to by the hon. member for Downsview. I do assure him and the House that we will do our utmost to make sure that the meetings of the committee are publicized so that everyone, hopefully, who has indicated a concern at least might be made aware that the committee stage is being reached, in committee, and that they are

welcome to come to it on Tuesday morning next.

I would appreciate it if any of the members of the House know of any persons who are involved or interested or concerned with this, they should also be informed of that meeting next Tuesday morning at 9:30 here in the Legislature.

Mr. Singer: May I ask the minister a question? Would it be too difficult to have somebody call the law schools at Queen's, Western, Toronto, York, Windsor, and let them know? And perhaps the Chief Justice of Ontario and the chief justice of the trial division?

Hon. A. F. Lawrence: I am not too sure that it would really be proper for the judges to appear, but we will do our utmost to make sure that the matter is publicized. Certainly, some of the people who have indicated a concern and an interest in it will—we will certainly try to notify as many as we can.

This, and I am sure it is recognized by all the members of the House—again, I do not say this in any partisan way—is a different type of legislation. Certainly, we are as concerned as anybody in coming up with the right answers. If there are further faults or gaps or errors in it, we want to know about them. I do not say that in any boastful way at all, or any partisan way.

Most of the specific comments, I think, that have been made—some by the hon. member for Downsview, some by the hon. member for Lakeshore, and some by the hon. member for Riverdale—I think could best be handled and dealt with in the committee rather than here in second reading.

Because he is so concerned about it, I would like to refer to the remarks of the hon. member for Riverdale in respect of the manner in which I think he is completely balled up. He is dealing with the wrong Act and the wrong type of Act when he starts referring here to guarantees to the citizen respecting his right, or his guarantee, in relation to all decisions of government. I am afraid that he has missed the very basic point here—

Mr. J. Renwick: That is what the Prime Minister said. Retract the statement of the Prime Minister.

Hon. A. F. Lawrence: —that this bill is to provide, hopefully, guarantees in relation to a hearing.

Now his point—and I may be completely misconstruing his remarks—I believe, is not in relation to the hearing—

Mr. J. Renwick: No, to the hearing.

Hon. A. F. Lawrence: —but to the point that all decisions of government should have a hearing.

Mr. J. Renwick: No.

Hon. A. F. Lawrence: My point simply is that this bill is designed to guarantee the rights of citizens where there is a hearing, and I think—

Mr. J. Renwick: Where there is a hearing!

Hon. A. F. Lawrence: —and I think the point of the hon. member for Riverdale—and I may be wrong—is simply that there should be ancillary legislation, other legislation which would require a hearing. I think there is a very basic difference therefore in his mind between what is the purpose of this bill and what is in our mind in relation to the purpose of this bill.

If I am wrong on that it can be clarified, perhaps in the committee stage. But certainly, sir, I do feel that the purpose of this bill really is to eliminate the uncertainties that do exist in the present law as to the procedure to be followed by tribunals themselves exercising statutory powers of decision and as to the powers of those tribunals—first, to give guidance to the tribunals and to confer rights on the parties as to the minimum requirement of a fair procedure and, secondly, to ensure that the powers conferred on that tribunal are adequate and appropriate.

We are not dealing here with the decision-making powers of government, many of which have to be discretionary, obviously, otherwise I can well foresee, in all sorts of ways, that the wheels of government would grind even more slowly than they do at the moment. To require hearings to be held in respect of all decisions of government would simply be impossible, and really would not result in any effective or efficient method within government itself.

There are two major uncertainties under the present law as to the procedure to be followed by a tribunal. Where a statutory power of decision is conferred, the courts will, in general, presume that it is not to be exercised arbitrarily or capriciously and will imply a requirement that a fair procedure

be followed, either to supplement procedure laid down by the statutes, or to provide a fair procedure where none is enacted.

They—that is, the courts—will require the so-called rules of natural justice to be followed. These require that the parties be afforded a hearing after reasonable notice with rather undefined rights as to their right to call witnesses, to cross-examine, to require protection in matters such as that.

The presumption that a fair procedure is required does not, however, necessarily apply to all statutory powers of decision. The courts may hold that the nature of the power or the circumstances for its exercise exclude any requirements of a fair procedure.

The question whether the rules of natural justice apply is often related to the question whether the power conferred is “judicial,” or “quasi-judicial,” or purely “administrative.”

These terms, obviously, as many of us have worried in this House over the years, are of uncertain application and the reasoning in any event is circular. Sometimes the question is asked: “Do the rules of natural justice apply?” If it is decided that they do, it is then said that the power is judicial or quasi-judicial. Sometimes the question is put the other way: “Is the power a judicial or quasi-judicial power?” If so, the rules of natural justice apply.

This bill attempts to avoid this circular reasoning by indicating that statutes conferring powers should state whether or not a hearing is required and, in that event, then these guarantees apply. The two uncertainties that exist are No. 1, “Do the rules of natural justice apply?” and, No. 2, “When they apply, what do they require?”

These are the questions which we are trying to answer with this bill. The bill is aimed at limiting these uncertainties by providing minimum rules of procedures which will apply in all cases where a statute requires that a hearing take place. The expectation is that in future statutes will expressly provide that there should be a hearing, or provide that no hearing is required, and where the statute provides for a hearing the minimum rules of procedure will be automatically applicable.

Also, although a statute does not require a hearing, it may not exclude one, in which case the court may, as under the present law, decide that the rules of natural justice apply. In such a case, the minimum rules in this bill will apply and my expectation is that the present uncertainties as to when

the rules apply and as to what they require will therefore be largely eliminated.

The powers of tribunals under the present law vary with each statute. Sometimes very broad powers—for instance, the powers of a civil court—are conferred on a tribunal. These include powers to issue bench warrants for the arrest and detention of witnesses and the power to direct imprisonment for persons for contempt. The tribunal may consist of one person without previous experience in the exercise of such wide and sometimes very terrifying powers. The bill proposes standard powers that may be exercised by a tribunal with suitable judicial controls to limit that possible arbitrary action.

Numerous detailed representations were made for changes in the rules proposed in Bill 130 introduced two sessions ago. It is not practical to deal with all of these detailed recommendations, and numbers of people within the civil service and employees of the various boards were very helpful in making recommendations. Almost all of the recommendations from some of these people who have had very wide experience in the procedures of boards and commissions within the government were adopted. Those not adopted were suggestions which really were not seriously pressed. Some of the more important ones adopted, I referred to in the notes to the individual sections and which we can deal with in committee.

Certain recommendations of the McRuer report are not contained in this bill, and I admit that. No provisions, for instance, are made for appeal. It is submitted that provisions for appeal should be contained in the statute conferring the powers of decision. They must be tailor-made, in my respectful submission, to the particular subject matter referred to in those individual sections. Nothing is said in the statute about privilege in actions for defamation, since the existing law already confers the qualified privilege. The McRuer report does not recommend any changes.

Enactment of minimum rules of procedure follows a practice that has been followed widely in the United States, both by the federal government and a great majority of the governments of the states. The practice in the United Kingdom, as I am sure the hon. members are aware, has been quite different. No statutory code was enacted but provision was made for a council of tribunals which has supervised the making of procedural rules applying to each individual tribunal.

The McRuer report recommends the enactment of the minimum rules. It should be borne in mind by hon. members that, in connection with this Act, the statutes are being reviewed at present to bring them in line with the McRuer report and this bill, and of course I had some remarks about that at the introduction of the bill. But I do appeal to the hon. members if they can publicize the meetings of the committee on Tuesday morning in any way. If they have people who have been in communication with them in respect of this bill or, obviously, the previous bill, please do the utmost to bring them along or make them aware of the committee meeting or pass their names and addresses or phone numbers along to my office and I will be glad to see that they are contacted. Certainly we will do our utmost to make everyone we think has an interest and a concern aware of the committee stage of the bill.

Mr. J. Renwick: Mr. Speaker, before the question is put, would the minister permit one question? Before Tuesday, would the minister consider whether there should not be in Bill 53 a definition of statutory power as such, similar to or identical with the definition of statutory power as it appears in Bill 54? I cannot tell whether it is purely an omission or an error in drafting the bill, but there is a definition of statutory power in Bill 54 that does not appear in Bill 53.

Hon. A. F. Lawrence: Well, in my review with my officials that point was not gone over, but I am informed by my predecessor in this office that there is a definition of the statutory power.

Mr. J. Renwick: Not in Bill 53, Mr. Speaker.

Hon. A. F. Lawrence: Statutory power of decision.

Mr. Lawlor: No, no, no.

Mr. J. Renwick: If I may just explain, Mr. Speaker, in Bill 53 there is a definition of statutory power of decision. In Bill 54 there is a definition of statutory power of decision and statutory power.

Hon. A. F. Lawrence: And statutory power, I see. I would be glad to take that under advisement.

Motion agreed to; second reading of the bill.

Mr. Speaker: Is it agreed that this bill shall go to the standing legal administration committee?

Agreed.

Mr. Speaker: The next motion is for second reading of Bill 54. Is it the pleasure of the House that the motion carry?

I understand that where these motions for second reading—

Mr. Singer: No, they are to be done separately.

Hon. A. F. Lawrence: No, there was objection, Mr. Speaker, that they be done—

Mr. Speaker: Well, perhaps we will have the hon. minister move second reading.

JUDICIAL REVIEW OF EXERCISE OR FAILURE TO EXERCISE STATUTORY POWER

Hon. A. F. Lawrence, in the absence of hon. Mr. Davis, moves second reading of Bill 54, An Act to provide a Single Procedure for the Judicial Review of the Exercise or the Failure to Exercise Statutory Power.

Mr. Speaker: The hon. member for Downsview.

Mr. Singer: Mr. Speaker, in connection with Bill 54, the general remarks I made in relation to Bill 53 apply equally.

I commend the action of the government in bringing forward the idea of doing away with one of the hoary remnants we have of our ancient legal history. We have got them down to about four or five or six different writs. I do not know how many there were. If my knowledge of legal history comes back to me at all, at one stage there were several hundred writs and the various courts used to throw people out almost at random if they happened to have the wrong title.

We are not quite that bad now but it is still bad enough when a lawyer has to look for a particular kind of remedy of the nature that is contemplated in Bill 54. Having a general power like this where the adequate agreement that the courts have powers to correct, certainly is an advanced step.

The only real reservation I have in this is the reference to the district court. The district court was introduced a year ago—two years ago—but while the statutory power to use it is there, it has not as yet come into use. It sounded like a very good idea at the time and in some of the—

Hon. A. F. Lawrence: The divisional court.

Mr. Singer: The divisional court, I am sorry—divisional court, yes.

It sounded like a good idea at the time and I understand that the stated reason for the fact that it is not presently functioning is that there are administrative difficulties causing delay. In addition to that, there is a shortage of judges. Hopefully, we are going to get that statute through in Ottawa and there will be some more judges.

Every now and then, I happen to hear confidentially or otherwise the opinions of some of the judges of the Supreme Court of Ontario—and I am not going to name them—who think that the creation of the divisional court was a serious error in principle. It may well be—and perhaps it is just my suspicious mind—that one of the reasons the machinery is not moving as quickly as it might have, is that there is something less than great enthusiasm from the present bench of the Supreme Court of Ontario to get this thing going.

Now I do not know; I have listened and it may well be that there should be another look at whether or not we should have a divisional court in the manner contemplated in the earlier statute. Since it has not started to function yet and since I have not heard recently any contemplated date on which it is intended it will function, does the Attorney General know? First of September?

Perhaps it will work; perhaps it will not. I was concerned; if it is coming as quickly as September 1, there seems to be a reasonable satisfaction that it will work. That is fine, but I was hoping that there would be no particular delay in the implementation of Bill 54 because of difficulties we might or might not have with the functioning of the divisional courts.

There is the provision that these matters can be brought before a judge of the Supreme Court in an emergency. Up to this time, a judge of the Supreme Court has been able to deal with this kind of application for writ of mandamus or writ of certiorari, or the other prerogative writs. I do not know why particularly we should go to the divisional court on this. The divisional court, I do not think, is going to be as accessible as a single justice of the Supreme Court. I am looking forward to the day—and I hope it is not too far distant—when we are going to have our courts functioning for pretty well 12 months in the year. When they are, then the remedy—the ability to find a judge very quickly—will be

quite easily accomplished. But if we are going to have to wait for the divisional courts, as I say, I have certain reservations in my mind about how well it is going to function. It would seem that, of necessity, the hearings will have to be at fixed times and with delays, and so on.

I would ask the Attorney General to consider carefully whether or not it is necessary to have this reference to the divisional court and whether these matters could not be dealt with by a judge of the Supreme Court as they presently are. With the improved functioning of the supreme courts that we look forward to, there would be the way to get the quickest remedies for the kind of grievance that this statute is designed to deal with.

Mr. Lawlor: Mr. Speaker, when I was a young lawyer there used to be a notorious character about town by the name of "Certiorari" Jim. I do not know what the man's last name was, but he had acquired an enormous reputation for his skill in bringing certiorari proceedings before the court. The rest of us, of course, down through the ages have found this far beyond our capability, trying to distinguish between one form of proceeding and another on these prerogative writs.

This is an enormous step forward. I am sure "Certiorari" Jim will turn over in his grave this afternoon to see the demise of the thing whereby he made his living. I think this was probably the only form of proceeding he took and the lawyers used to sift it over to him.

The recommendations under this head are contained at page 326 and subsequently following pages in McRuer and have been substantially embodied in the legislation. May I say that this is another form of appeal procedure, with all due respect to the great gentleman whom we celebrated on one occasion up at the Park Plaza. He deserved it.

Nevertheless, as the government come through with this legislation this afternoon and whatever legislation brought forward by this government, there seems to be some obsessional neurosis about appeals. It seems if you have got an appeal that half the crimes in society are solved. The undue emphasis that runs through—and has become, as I say, a kind of obsession of late, with respect to appeal procedures, of course, will hit us full and frankly between the eyes when we come to Bill 56, which is one long plethora and staging of appeals. But this bill embodies the same principle substantially.

It is as though, Mr. Speaker, in some ultimate way, and I have no doubt that Mr. McRuer was traduced, illusioned, caught up in this particular mythology, that in some way the ultimate abiding wisdom in our civilization will lie in the judges, and that inferior tribunals, not having that wide range and great depth of experience and wisdom, were somehow incapable of reaching final and conclusive decisions on their own book.

A whole arrogation of this legislation today is precisely in those terms, in making for the sacrosanctity for the special dispensatory powers of judges, that they are a breed apart. Really I cannot give credence to it in contemporary times in our civilization at this point. As you know, Mr. Speaker, there is considerable conflict between my modes of thinking, which I consider are far along the line of Professor Willis in this particular regard, with respect to administrative tribunals, over against what I consider somewhat archaic views, both with respect to the problems of distribution of powers that led to the French Revolution and the business before us here of having some judge placed in suzerain authority over the whole dimension of the administrative and governmental life of the realm.

I think it is not correct in principle. I think it is out of tune with the times and, particularly in the areas that the Attorney General, in which he himself obviously has grave misgivings about, namely, for instance, Workmen's Compensation. It was devised and became part of the jurisprudence of this community, precisely because of the incompetence of judges and because of the obtuseness of the bench, and because they were not in rapport or in line with the times.

And as you well know, although you did not mention in the brief that you so kindly had photostated for us, the labouring forces of this province, the labour relations board, feel a twinge—more than a twinge—feel a very grave feeling of imbalance and grievance even, in having to possibly be subjected—and it is under this bill and not under the previous bill that that particular possibility would take place—to being brought back before the courts and many many judges who are relics mentally of a distant past, who do not live in contemporary society, who have their bugbears and their furbelows.

Why you know, when we were first taught law at law school it used to be that the judge—why, one of your magistrates or provincial judges said the other day that he is a vehicle, a conduit type, that he has an ouija board in

front of him and holds out his hand and some mysterious objective woman called the law moves his hand across the thing, and he in no way obtrudes; he is a mirror or a glass window through which the law looks.

And we have learned, because of sociological studies in the law, particularly at Harvard and Yale, that that is no longer true. I mean, anybody who looked at it hard would know that the Emperor had no clothes. But the myth throughout the history of English law and all law is that judges are impersonal voices, some kind of almost prophetic vehicle of the Lord, and that their own curious, twisted sometimes and at least very often prejudiced, personalities do not enter in between the judgement they give in the case and the great amorphous mass of the law that lies behind them; that they are simply vehicles and voices.

That is nonsense, and we fear it with respect to the role the judiciary may play in any number of areas, but particularly in the areas that I pointed out, that is the Workmen's Compensation Board, and with respect to labour relations; curiously, both areas being allied to the working man and to the fate that he suffers for people who are not particularly sympathetic in his case or have a deep understanding of the dynamics of contemporary society.

I think somebody has to speak on the behalf of this House, and the misgivings that we have with respect to this legislation—at least that I have—have partially to do with that.

The second major theme that I want to bring forward is again a bitter recapitulation of what you did two years ago in the 1968-1969 legislation, over against what you are doing today, and the fact that this legislation has been permitted to lie fallow for two solid years while you got a feedback and intake and as a result of that produced a luxuriant growth which is infinitely superior to your first attempt, your first infantile and halting attempt.

As a matter of fact, considerable change has been made in this legislation; the bulk of it, as far as I can see, to our mutual benefit. The thing is, it is as much important in the things that you left out as in the things that you put in.

You have again extended your definition section. You have finessed the law and elaborated it and it certainly needed it. The other definition section only had three definitions so that we could get our terms

defined and know precisely where to arrogate ourselves.

Here we have a multiple definitional clause, including this thing which my friend from Riverdale mentioned, the definition of judicial power, which is a considerable definition and which was omitted from the previous bill.

In your previous legislation, for instance, you have made it subject to section 9:

The court, on an application for review, may, in addition to the record of proceedings before the tribunal, consider any other evidence that it deems relevant to the issue.

The minister has taken that out. He has removed it, and I would like to know why he did so, because I agree with him that he should have done so.

It does, I suspect, allow the court much too much elbowroom, an amplitude which again would disturb the contour lines of the parties before the tribunal as to precisely what they were expected to meet, or were expected to be informed about.

If they could bring in evidence from any quarter in a carte blanche way, as is indicated here, then I would think that this is far from being an Act which is designed to give a process of hearing on a uniform basis. It would act to the contrary to diminish that possibility and even possibly to exclude it.

And another section that you have knocked out, section 13:

Nothing in this Act shall be deemed to affect any relief existing when this Act comes into force with respect to the extraordinary remedies mentioned to them.

The whole—was that not precisely a bringing back into the heart of the statute at least an area of the very iniquities, the very burrs and barnacles that the minister was seeking to get rid of in designing the Act itself? Because the whole plethora of commonlaw remedies, the consequences that flow out of the particular kind of proceeding that he might have taken—in other words, he has taken a mandamus proceeding—it had a host of attendant circumstances.

Or if you went by way of declaration, again, it had its peculiarities. To have left that in, of course, shows a considerable advance and a rethinking. Again, one cannot help but comment. I would daresay that had the minister presented that Act in this particular form he would have stuck to his

guns, as he normally does. He will not budge an inch on these forms of legislation and would have left it in.

But the process of germination was not one of decay and it has led the minister from outside quarters where he feels his prestige is no longer at stake to revise and toss out any number of things which he previously embodied and which were directly contrary to, at least detrimental to, the best interests of this very kind of legislation designed to support, enforce and give range to civil liberties.

All right, I think it is just as well to put on the record the reason behind this and some remarks of a professor concerned with this subject at 323, Professor Davis:

No branch of administrative law is more seriously in need of reform than the common law of the state courts—

And he is talking about the American courts, which is equally applicable here, as McRuer says—

—concerning methods of judicial review. No other branch is so easy to reform.

An imaginary system cunningly planned for the evil purpose of thwarting justice and maximizing fruitless litigation would copy the major features of the extraordinary remedies.

And he goes on in that vein very eloquently, I think, but also with some asperity about the extraordinary remedies which prevailed until this bill came in and he castigates them, as they deserve. At the bottom he says:

The most serious consequence of the system is the myriad of cases which fail to reach the merits. Almost as grievous a fault is the concentration of effort of counsel and of courts on the solution of false problems.

And anyone who is involved in the intricacies of such proceedings will well know that you can get your case to the high court and find that through some inadvertence, through some twist of illogicality in the old English law, that you are out of court and have to start all over again on another path. That has prevailed down through the years.

There is only one other major point I wish to make and it is with respect to—I suggest maybe, and again I put it to the Attorney General to consider before next Tuesday—a possible omission from the statute, insofar as it fails to embody—it may do so,

I am not saying it does not—it seems to me it may do in terms of McRuer, 327, of his fourth recommendation he says—

Proceedings for review should be available either before the exercise of the power has commenced or during the course of its exercise, or after it has been exercised.

And of course he says that a review prior to the exercise of the power would have to be done by way of testing the matter for either its constitutionality, I suppose, or its ultra vires effect and for an error on the face of the record then many of the usual remedies.

But this legislation fails to embody any of that concept of time sequence of the time aspects as to when the proceedings do arise. They do concentrate solely upon proceedings in continuity, in the throes of the proceedings, and do not give any cognizance to exceptions, and they go further than that, not just in the throes, but almost invariably—and I think I can say conclusively invariably—in this legislation you are only concerned after the hearing is over, as to review powers based upon the decision of the committee, as the record will disclose it to be, and not actions taken, although I suppose they could arise in the course of the proceedings, the mandamus could arise, but I do not think so, with respect to either something before the proceedings even commence on a preliminary motions of objections to the proceedings or as the proceedings are in process. This which McRuer and you do not mention seems to me would be a point, not of major importance, but a point worth bringing to your attention and asking you to speculate or give some thought to in the next day or two.

Mr. J. Renwick: Mr. Speaker I want to raise just one point in connection with Bill 54. The minister knows, and certainly his opening statement today and the indication that he is going to introduce an amendment to one of the appropriate bills at some point when the bill is in committee, raises the question of judicial review in the light of the concern which is expressed by the Ontario Federation of Labour as to its applicability to decisions of the Labour Relations Board.

I think as a lawyer I can perhaps bring myself to the decision, because of the way in which this particular statute is worded that, in fact, it will not apply to the Labour Relations Board. I am not taking sides on

the matter. I am not all that versed with the question as to know whether in substance or not there is validity to the position that the decisions of that board should continue to be exempt from judicial review. But as it has been a matter of concern to the Ontario Federation of Labour, and it feels very much threatened by the suggestion that the judicial review of the labour board's decision would be inimical to its interests, I would appreciate it if on second reading the minister would clarify or categorically state that it is not intended that it apply and indicate either now or in committee the precise way in which his Act will not apply to decisions of the Labour Relations Board.

Mr. Speaker: Is there any other member who wishes to speak to the bill before the minister? The hon. minister.

Hon. A. F. Lawrence: Mr. Speaker, as has been said before, but I think in relation to an important bill like this, because it is important, it should be said again, that this is one of the package of bills that is being presented to the House this year along with The Statutory Powers Procedure Act and The Public Inquiries Act.

It was originally introduced for consideration as the result of the recommendations of the hon. J. C. McRuer. This particular bill, together with The Statutory Powers Procedure Act, was actually printed and introduced in the Legislature and given first reading in 1969 in order that the government might receive the views of the legal profession and the public since the bills do relate very closely to the procedures of government administration as they affect individual rights.

Over the past two years The Department of Justice and Attorney General has received some comments, although strangely enough we have received no formal or constructive comments from the organizations representing the legal profession. The departments of government themselves have been very active in considering these bills as they relate to their own operations, and I would like to indicate at this time the very deep gratitude of the present Attorney General and, I think, of my predecessor in this office, and certainly of the staff of The Department of Justice for the real help they have received again from the solicitors for the various governmental department and their staffs, and the boards and commissions. They have been a very great help.

This particular bill provides for a single method of judicial review that will replace the existing methods of the prerogative writs such as certiorari and mandamus. The idea behind this bill is to permit an individual who wants to have an administrative decision reviewed to make an application to the court for relief which may be granted on the same basis and with the same results as any of the prerogative writs.

The advantage to the individual will be that he only needs to apply to the court for relief and he does not have to apply for the specialized and particular type of relief that is now required. This will get over that situation—and regrettably there have been many cases over the past few years where there has been this situation—where an individual might ultimately get the matter before a judge who would then decide that the proper relief was something that was not before him and consequently a whole new application would have to be brought.

The leading cases, of course, in this respect are the Hollinger Bus Line case of 1952; the Border Cities Press Club case of 1955; the case of Low and the Minister of National Revenue of 1967. I could go on, sir; there are many cases, some of them quite famous or infamous, depending on your point of view, within the legal profession where, while these have been correct decisions, they obviously have not led to equity or to justice.

This bill ties in with our whole approach toward administrative law, since judicial review inherently is the method by which an individual may have the administrative decision reviewed if he feels that he has been aggrieved by it. The primary purpose of the bill, as I say, is to simplify a highly technical branch of the law and procedure in the courts. Only two amendments to the substantive law are made by this bill, and I am not too sure if I should go into them all, but the hon. member for Lakeshore is perfectly correct when he indicates that there are subsidiary recommendations, if I can classify them that way, of the report of Mr. McRuer which in our view do not require legislation.

The hon. member for Lakeshore dealt with one of these and he quoted part of Mr. McRuer's report. I would like to go over that again and perhaps extend a little bit on it because the McRuer report recommends:

Proceedings for review should be available either before the exercise of the power has commenced or during the course of its exercise or after it has been exercised.

That was the quotation the hon. member for Lakeshore read to the House. The next paragraph explains this a little bit more fully; again I am quoting from the report:

Obviously, in practice, review before or during the exercise of a power can only apply to review on grounds of *ultra vires*. Review for error of law on the face of the record, or absence of substantial evidence can only be had after the exercise of the power. We reject any doctrine requiring the tribunal always to complete the purported exercise of its power before judicial review is available on grounds of *ultra vires*.

This recommendation is really a rejection of certain proposals that public authorities be allowed to finish their proceeding before proceeding can be brought in the courts to question them. That is the meat of the matter.

The present law gives effect to the recommendations and we feel no change is required. It seems undesirable for lengthy proceedings to be carried on, if it could be established at the outset that they are unauthorized.

The report also recommends:

—in the case of review for error of law on the face of the record or absence of substantial evidence, the evidence supporting an application for review should be confined to the record and in all other cases, the evidence should include the record of the proceedings before the tribunal where a record is available, and other evidence relevant to the issue of *ultra vires*.

We feel no legislation is necessary to give effect to this recommendation other than to extend the review for error in law or lack of evidence, and this is exactly what we are doing. These are the two substantive changes in the law we are making. The law on evidence that may be admitted on matters of jurisdiction or authority we feel is now well settled, and it is implicit that review for error of law for lack of evidence can only be made by looking at the record of the proceedings on the evidence.

The hon. member for Downsview referred to the divisional court, and of course this bill has been drafted in the belief that when it is fully in effect, the divisional court will be in effect. We have not yet proclaimed the divisional court proceedings of The Judicature Amendment Act into effect, be-

cause there is a need for five new judges before we can proclaim it, particularly since Mr. Justice Hartt has now in effect left the bench, and we are really pressed for judges until we can get the appointment filled.

However, the latest word I have is—of course, our legislation has gone through this House—that the amendments in the federal Houses of Parliament have reached the stage I believe, where they passed the committee stage, and are now up to third reading in the House of Commons.

So hopefully, we will have the divisional court legislation effective there as far as the judges are concerned. We have passed The Judicature Act amendment in this House so that we are ready for them. All we need is the naming of the judges by Ottawa and other than that, I think we are ready to proceed.

The hon. member for Downsview indicated there was some opposition to this whole concept of the divisional court from some of the judges. The only judges I have spoken to, and maybe I have been speaking to the wrong ones, are in support of the concept and the idea.

Certainly, we have reached the stage now where already we know the names of the judges who will be taking their duties on this from the existing Supreme Court, and I am hopeful that before very long, the divisional court aspect or concept, will be in effect, the judges named, and then this new bill will be fully effective and fit into the whole scheme of matters.

But if it does not, there is the section 62 where in matters of urgency this matter can go before a single judge of the high court, and presumably we could make do in the transitional period with that, in the event that this bill was proclaimed.

It is not, however, really our intention to put this bill into effect until the divisional court concept is moving, but if hard pressed on it, or if the needs for it were demonstrated in some unlikely or in some extraordinary event that I do not perceive at the moment, then nevertheless, I feel that there are transitional sections in this bill, which can come into effect. Again, sir, as in—

Mr. Singer: Mr. Speaker, could I ask the Attorney General a question? What is the particular thinking that determines now that a single judge of the Supreme Court should not be able to do this except on an emergency basis?

Hon. Mr. A. F. Lawrence: It is simply that we are trying to remove many of the administrative and procedural appeal matters from the High Court of Justice really, and focusing that type of very specialized knowledge into a specialized court.

I believe, and this is a personal view, it is high time that the bench of this province specialize far more than they have been able to in the past. I am not indicating any criticism of the people on the bench at all, by any means, but today we live in a specialized age. The bar has specialized many years ago. Anybody who practices law today knows the specialist in various parts.

It has been my view in the past—I have indicated that publicly in the past—and I have even been able to influence public policy in the past by means of certain select committee reports which the hon. member for Downsview and I have had a hand in drafting in the past.

We have been able together to influence public policy in respect of pointing out the need for more specialization within the bench. While I personally have had no direct hand in setting up the concept of the divisional court judge—the divisional courts—I certainly agree with that concept.

I think it fits into the need—it is pretty apparent to me, in any event, in this province—for more specialization within the bench, so that you do have a body of greater specialization and expertise available for many of these very complex and complicated matters which come before the court.

I do appreciate the words of commendation that have come from the members opposite in respect to this bill and to this whole package. Again, I assure them, it is my purpose that this bill should come for more detailed consideration before the standing committee on Tuesday morning next.

Motion agreed to; second reading of the bill.

Mr. Speaker: This bill then goes to the legal administrative committee?

Agreed to.

PUBLIC INQUIRIES ACT, 1971

Hon. A. F. Lawrence, in the absence of hon. Mr. Davis, moves second reading of Bill 55, The Public Inquiries Act, 1971.

Mr. Speaker: The hon. member for Downsview.

Mr. Singer: Mr. Speaker, Bill 55 is really a codification of what presently is the practice at public inquiries, or at those public inquiries that I have personally observed. The public inquiry recently commenced in relation to the Niagara Escarpment by His Honour Fred MacKay—

An hon. member: Colin Bennett.

Mr. Singer: —Colin Bennett—by His Honour Judge Colin Bennett has just got under way and the judge, as was most proper at the commencement of the proceedings, made general statements along the line reflected in the bill. In fact, I think he had in his hand a copy of the bill as it had been given first reading. He made reference to it and indicated that even without the bill, it was his understanding that that was the way a public inquiry should be conducted, and that was the way he intended to conduct the public inquiry but he was glad he had the bill there as a ready reference.

As I say, there is nothing awfully new in this except we are going to have it codified and I think this is a step forward.

I did address some substantial remarks a year or so ago to the Attorney General's predecessor in relation to the character of inquiry that can take place in other jurisdictions, particularly in England. And the one I made particular reference to and suggested might be a precedent, was the inquiry that took place as the result of a small gas explosion in an apartment building which brought down the whole corner of the apartment building. This resulted in, Mr. Speaker, a rather unique type of public inquiry, where the substantial direction of that inquiry was being conducted by engineers, scientists, architects and that sort of thing.

I was drawing the parallel between what had happened there in England and the result of that inquiry—and I think the former Attorney General will remember my reference to that—and the kind of nonsense, and I say that advisedly, that we went through in the Malton inquiry where we had the coroner's court investigating, and the police investigating, and the fire marshal investigating, and the energy board investigating, and there seemed to be a difficulty in co-ordinating all those inquiries into one and co-ordination of all of the information that was available which might have ended up in a single series of recommendations.

Now, perhaps, this is not really within the principle of this bill, but I would have liked to have seen perhaps some general discretion

made available. This merely codifies procedures before public inquiries, but I would have liked to have seen the government perhaps beginning to think about a new kind of public inquiry, a public inquiry that could overstep several departments and could bring together the best expertise that is available as inquirers. I think it might well have been appropriate that that kind of thinking could have been incorporated into a new Public Inquiries Act.

What we have done, as I say, is merely repeat the common law and repeat the best parts of the common law and the best practice that we have had; and for that, it is good. But I would have hoped that that advance could have been more seriously considered. It has been raised here in the House on several occasions.

There is a good precedent in the United Kingdom, and I would commend that to the Attorney General's attention. I would suspect that it cannot be in this Act at this time but I would commend it to his attention and suggest that it might be referred to his departmental people and see if we cannot have some sort of quick and ready procedure available where we have this unique kind of situation and where it will not be necessary to have the coroner going in and the fire marshal, and the energy board, and somebody else, and the police.

But it is important in the public interest that we get together and quickly have a kind of inquiry of this sort without an unusual type of action or great deal of worry in bringing it about.

Substantially sir, those are my remarks on this bill. We shall support it; we think it is a step forward and in keeping with the ideas we have put forward in this House for a considerable period of time.

Mr. Speaker: The hon. member for Riverdale.

Mr. J. Renwick: Mr. Speaker, this bill gives me an opportunity to raise a matter which was of concern some years ago and still continues to concern me.

What in substance this bill does, apart from the provisions of part 2 and part 3, is put certain limitations on the powers of the commission to conduct the inquiry in the way in which the commissioner wishes to carry it on and indeed, as the member for Downsview says, it simply incorporates what has become practise before commissions in this province.

I think the important section of the bill, really, is that subject to those restrictions the conduct of and procedure to be followed on an inquiry is under the control and direction of the commission conducting the inquiry.

Some years ago I had occasion, because I was concerned about a problem related to inquiries, to spend a little bit of time trying to sort out what the problem was as I saw it on commissions of inquiry. There was at that time a book published by Mr. George W. Keeton, then professor of English law at the University of London and head of the department of law at University College, London.

The title of the book was "Trial by Tribunal" and it was published in 1960. After the hearings had been concluded in the inquiry by Mr. Justice Roach and having read this book, I was with Mr. Justice Roach one night and we were discussing generalities of public inquiries, not the specifics of the particular one that he was then considering. In the course of it I referred to this book and provided it to him, and he made use of it in a portion of his report, and there are 11 pages in Mr. Justice Roach's report dealing with the question of hearsay evidence at public inquiries and the admissibility of hearsay evidence as distinct from the strict rules of evidence which are applied in court proceedings.

This, of course, bears very much on the exact principle of the bill because the procedure which has been developed and which is now going to be incorporated in the bill is to provide a method by which if a person is involved in an inquiry he will have the right to cross-examine witnesses and to take part in it in order to protect himself because of statements or allegations which may be made in the course of the inquiry.

And the bill incorporates that as a procedural matter, but it does not seem to me that it gets at the very root problem that Mr. Justice Roach tried to deal with. He referred to it in his report and these particular remarks are a separate chapter, number 16, pages 211 to 218 of his report. He refers in that to the similarity between The Tribunals of Inquiries Act in England passed in 1921, and I think in a discussion of a bill of this substance it is wise to put before the House what the purpose of a public inquiry is.

The best reference is by Lord Kilmuir in the debate in the House of Lords in England

when this particular equivalent bill was before the House of Lords in 1921. I think it is a fair statement of the reasons for a Public Inquiries Act. Lord Kilmuir had this to say:

The sanction of a public inquiry is necessary on occasion for the purpose of maintaining a high standard of public administration and the modern system was equally aware of the inadequacies of the machinery of inquiries by a select committee on the one hand and the limitations of the ordinary processes of law on the other hand. One must frankly admit that there is a conflict between the needs of the state that the truth should be discovered on weighty matters which reflect on the functioning of its important agencies and the position of the individual who finds himself involved. The vital point as I think every peer said is that the procedure should only be invoked for weighty and important matters for it is only then that the sacrifices on the part of the individual can be fairly demanded. That leaves our unending problem where the ordinary life of the ordinary citizen is invaded we must use all our skill and sympathy to ensure that this is done in the least fretful manner. I hope that I shall not be thought to be presumptuous if I ask for the co-operation of Parliament and of the press in this important task.

I think that is a fair statement of the reasons why we have a Public Inquiries Act in the Province of Ontario. I think it is a fair statement of the problem which has led to this kind of amendment being introduced in order to ameliorate to some extent as a procedural matter what damage might be done to an individual when matters related to the functioning of the state require this kind of investigation be made.

Mr. Justice Roach points out that the two Acts are identical in the sense that the conduct of the proceedings rests with the commissioner, in the way in which it is to be done. He then goes on to deal with what is really the crux of the problem and that is this question of hearsay evidence, as distinct from the admission only of evidence which is admissible in a court of law under the strict rules which are applicable.

Having pointed out that hearsay evidence is evidence of statements which are made to A by B, who in turn heard them from C, who in turn heard them from D, and which then become, as everyone knows, a matter of rumour. The rumour is picked up, and it

is publicized in such a way almost without inquiry, that a person can be seriously hurt. Because the public tends to take rumours that are repeated that way, in the full light of the freedom of the press which we enjoy and must protect, a person can be very much hurt by hearsay evidence.

Mr. Justice Roach goes on and points out in his comments, using Mr. Keeton's book for that purpose, that it is an essential part of a public inquiry that it receive hearsay evidence. He states, for example:

Before dealing with the matters referred to me in the second term of reference, I think I should first deal with this subject for two reasons.

That is the question of the admission of hearsay evidence.

First, to put straight and remove some apparent misunderstanding as to the place it occupies and its purpose in an investigation such as this and second—and this may be included in the first—to make abundantly plain the use to which it may be put.

He goes on to illustrate what hearsay evidence is and then goes on:

Because of that I explained, and it may be serviceable if I do so again, that the rule with respect to hearsay evidence that applies in a court of law is not equally applicable in an inquiry under The Public Inquiries Act.

The reason which he gives, is: "The purpose of the pursuit"—that is the purpose of the inquiry—"is to search out the truth, to dispel the rumours if they should be dispelled, and not to smear."

He goes on further to say:

Though the rule with respect to hearsay evidence does not apply to an inquiry under The Public Inquiries Act, there nevertheless must be some restraint upon it. The extent of that restraint must be measured by the purpose of such evidence.

He spells out what he thinks to be the limitation on it—in other words, that there must be some constructive purpose in the admission of the hearsay evidence which will assist in the dispelling of whatever rumours may be circulating around a particular topic which has led to the appointment of the commission.

He goes on to say:

I cannot surely have been the first commissioner who found himself in the diffi-

cult position in a proceeding under this or similar Acts as to what he should admit by way of hearsay evidence, but I was unable to find any report of such a proceeding in this country in which this particular subject was discussed.

And then he makes the reference to Mr. Keeton's book on the topic.

Then he seems to me to come to the kind of contradiction which really concerns me and I do not know what the answer to it is. Because having then, as he says, taken in hearsay evidence, which he admitted to be hearsay evidence, which he felt in his own mind he could justify as being constructively purposeful toward the purpose of the inquiry, and having stated very clearly that the purpose of the inquiry is to dispel rumour and to search out the truth of the facts which are behind it, he comes to the conclusion which is vexing certainly as a legal matter to people who sit in opposition to a government which holds inquiries—but seems to me to go to the root of the problem because he then goes on to say—and he is dealing specifically with the budget leak case of Mr. Dalton in England at that time. He goes on, having used certain quotations in connection with that tribunal. He then goes on to say speaking about it in England:

In each of them the tribunal, however, when it came to reporting with respect to persons involved by that hearsay, disregarded it entirely and relied only on such evidence as would be admissible in a court of law. In my opinion it would have been monstrous if they had done otherwise.

It seems to me that that in itself is inherently contradictory. If you admit at the inquiry hearsay evidence because rumours are circulating about the topic which is before the inquiry, and if you admit that the purpose of your inquiry is to dispel rumours and to reach what the truth of the actual situation is; in order to assure the public that it has all been found and that the whole of the matter has been laid to rest, it does not seem to me that you can accomplish that purpose if, having admitted hearsay evidence, you then limit yourself in your report only to such evidence as would have been admissible in a court of law.

While Mr. Justice Roach goes on to say, "It would have been monstrous to have done otherwise," it seems to me he leaves the question still very much up in the air. I think he felt he had solved the problem. When I read this part—and since I have reread it

because of this bill being here and because I have been worried about it off and on, every time there is a public inquiry—it seems to me to come to just the opposite.

It would seem to me that the hearsay evidence that the obligation imposed upon the commissioner is, in fact, an obligation to take the hearsay evidence which is admitted because of the purpose of the inquiry, and to deal with the hearsay and to come to conclusions about the hearsay evidence on his assessment of what the hearsay evidence provides; and not to say to himself. "Now that I have heard all the hearsay evidence, I am only going to limit myself and report upon that which is strictly before me under the rules of evidence of the court."

Mr. Singer: They all do it anyway.

Mr. J. Renwick: I am simply saying that I do not—I am only making the point in the argument of Mr. Justice Roach, not that "they all do it anyway."

Mr. Singer: I am including Roach in that.

Mr. J. Renwick: That is not a helpful remark at all. If one looks at the report, the recent report for example—and again I am speaking in a non-partisan, objective sense about this particular one—of the Duke inquiry and other inquiries, you will find that the commissioner limits himself to that evidence which would have been strictly receivable in a court of law.

It does not seem to me that that necessarily allays the public about their concerns, the commissioner's authority in some way or another must—I should not say his authority—but this practice of limiting himself in his report only to that evidence admissible in the court of law be considered by, say, the Law Reform Commission or some other body for the purpose of determining whether or not there should be an obligation on the commissioner to, in fact, deal with the hearsay evidence which is in front of him.

In other words, having got all the evidence before him, of which most people on the street or lay members of the public hear bits and pieces—but here is the tribunal that gets it all before him. He says, "I disbelieve this. I am not the final fount of wisdom, but I am basing my conclusions on all of the evidence which is in front of me and this rumour is unfounded. I think this rumour is unfounded. I think this other rumour is true. I believe that this particular event took place. It cannot possibly be proved. It has

not been proved before me as it would in a court of law but I am satisfied for the purposes of this inquiry that this is a factual matter."

It would seem to me that that kind of approach would do a great deal more to establish, in the minds of the public, the result which the public inquiries endeavour to establish. That is, to seek out the truth and to dispel the aura of rumour that is about it.

That raises, of course, the contrary problem which is that it is the admission of the very hearsay evidence which, in the initial instance, has caused the damage to the individual. It brings back the other side of what Lord Kilmuir refers to as, "That leaves our unending problem of the relation between the needs of the state and the damage to the individual."

Hon. E. Dunlop (Minister without Portfolio): Did you lose your place?

Mr. J. Renwick: No. I have not lost my place, but there is one particular comment in here that I think poses the problem rather accurately.

In his concluding speech the Attorney General before the tribunal investigating the bank rate leak in 1957—

Strangely enough, Lord Justice Parker was chairman. It is enlightening. He said in part:

I am not here either as a prosecutor or to defend anyone. It has been our object to press and to probe by cross-examination, in order, and this has been our only object, to establish the truth. We have dealt with all the rumours that were apparently current in the city of London. We have sought to find out what basis there was for them. We have considered all the reports in the press and sought to find out what was the basis for them. I would submit that there has been a complete and thorough investigation, not only of these matters but of all other information, which has any relevance to the terms of reference, in this tribunal.

In a further case, the tribunal which was established went on to say, about the report of the Lynskey tribunal—which was another inquiry:

Much of this evidence would not be admissible in the case of an individual witness in proceedings against him or in litigation in which he was concerned. In

coming to the conclusion of the conduct of an individual witness and, in particular, whether any allegations made in reference to him have been justified, we have had regard only to such evidence as would properly be admitted in a case to which he was a party and his conduct was in question.

That seems to me to pose a contradiction. It seems to me to raise a fundamental question about The Public Inquiries Act and seems to me to pose a question, to which I would suggest I cannot possibly conceive what the answer is, but I think that the present rule is inherently contradictory. I think the very admission of the hearsay evidence, in the first place, does not, therefore, then mean that the commissioner can disregard it when he is making his report. Otherwise, what useful purpose can it possibly serve?

The other side of the coin is, of course, that if you admit hearsay evidence, which is necessary for the purpose of seeking out truth in a public inquiry and for the purpose of dispelling rumours, then I think there is an inherent obligation imposed upon the commissioner. Consideration should be given as to how you protect the individual in this instance, for the commissioner to make his decision and report, taking into account all of the evidence, and not only that evidence which is submissible in a court of law.

That, Mr. Speaker, has been a matter of some concern. I am delighted to have the opportunity to raise the question. I think it is very germane and fundamental to the functioning of public inquiries in this province. I would, as an incidental matter, bring to the minister's attention the comment which I made on Bill 53, with respect to the provision which deems a person to have the benefit of the non-incrimination provisions that the Act. This appears to me, being an Ontario statute, to extend only to The Evidence Act of the Province of Ontario. Perhaps there should be a specific protection to the individual requiring the commissioner to advise anyone coming before him that, not only is he deemed not to have given up his protection under The Ontario Evidence Act, but to warn him that he is entitled to claim, if he wishes to do so, the protection against self-incrimination available to him under The Canada Evidence Act.

With those remarks, Mr. Speaker, we will, subject to the comments of my colleague, the member for Lakeshore (Mr. Lawlor), support the bill on second reading.

Mr. Speaker: The hon. member for Lakeshore.

Mr. Lawlor: I would just take one moment since we are not going to get through to Bill 56 anyway.

This legislation is basically set out in volume 1 at page 463. In the recommendations therein, it has made two major points, namely, that people who have a substantial interest or direct interest in a royal commission are, through this legislation, finally, in a formalized way, given a right to attend and appear and have counsel and make their representation. All this is a moot point. There is some ambiguity in the law. It was thought that people might be very well substantially injured as a result of other failures. The second point about the legislation is that no one may be pilloried any longer, at least with respect to the point on self-incrimination.

Throughout the next bill, Mr. Speaker, time after time, that is, through this magnificent measure, reference will be made to part 2 of the legislation here. I think it may be wise just to say what part 2 embodies. It is concerned with search, with summonses and the terms of summonses and the failure to appear, contempt proceedings and the protection of witnesses that I mentioned a moment ago, touching self-incrimination that is written right into the statute, the terms on which documents may be received, on which they may be photostated and handed back to the people, and that is the ambit when we come to the section as we will dozens of times throughout this next bill. That is the range of what it is referring to.

Mr. Speaker: Does any other member wish to enter into the debate? If not, can the hon. minister complete his remarks before we recess?

Hon. A. F. Lawrence: I believe I can, Mr. Speaker. I merely want to say that of course, this is one of the Acts in the package deal we are presenting to the House this year in respect to these matters. This again arises from the report of the hon. J. C. McRuer and he made particular recommendations with respect to this type of procedure, and these are reflected in the bill which has now been prepared.

The Act clarifies the rights and responsibilities of persons who may be brought before public inquiry. At the same time, sir, it clarifies the procedure to be followed by a commissioner in the conduct of that

inquiry. The rights of the individual are set out in detail as are the responsibilities, and I think this is important, as are the responsibilities which rest upon him.

The powers of the commissioner are specified so that they may be delineated in any cross reference that might be desirable in other statutes. Generally speaking, I think it is a worthy bill and again, I merely say that it is my purpose to refer this to the standing committee for Tuesday morning's consideration next. I am glad to hear the members call it a step forward.

I am particularly glad to hear the hon. member for Riverdale refer to the hearsay evidence matter. There is a great deal of public misunderstanding about hearsay evidence and our courts and our rules of evidence, and particularly about The Public Inquiries Act.

I noticed with horror one Toronto newspaper reporter in dealing with this matter indicated that the Attorney General of the day reluctantly admitted that hearsay evidence would still be available in respect of a public inquiry, and the next day the hon. gentleman, who is a member of our press gallery and is not here this afternoon, went on the air for a 15-minute diatribe against the Attorney General and the government for even permitting the introduction in public inquiries of hearsay evidence.

It really just shows the misinformation and misunderstanding I suppose that does exist in certain quarters. Obviously hearsay evidence must be admitted in a public inquiry.

Mr. J. Renwick: But why is it excluded in the report?

Mr. Singer: Well, just Roach. I have never seen it specifically excluded.

Hon. A. F. Lawrence: To my knowledge it has never really been excluded anywhere at all, and in actual fact by even dealing with the hearsay accusations obviously the commissioner is dealing with the matter. Other than that sir I have no other comments on it.

Motion agreed to, second reading of the bill.

Hon. A. F. Lawrence: Mr. Speaker, unfortunately I am not going to be in the House this evening and there is one more bill that is part of this package and it really deals with enabling legislation in respect of the other matters.

Again, if we could have a fast concurrence of the House to approve it in second reading

then we could deal with it in committee as well. If there is any objection to that, however, I think with the concurrence of the House we will go on with it tomorrow morning. But I apologize to the House for not being able to be here tonight.

Mr. Singer: Mr. Speaker, we would concur and I would even go one step further. I would be prepared to concur in the waiving of the second reading debate on An Act to amend The Judicature Act which is also complementary to this legislation, even though it was just introduced this afternoon, provided both those bills will go to the standing committee.

Mr. Lawlor: Mr. Speaker, I am going to concur. I want to say that it is an act of a self-inflicted wound. I have prepared numerous remarks that the human race will miss forever with respect to the intent and purpose of this bill. As my friend from Downsview said, I had a marvellous oration on this particular one, and I have abandoned it in the cause of getting things forward with this House. I wish the Attorney General would design a special form of medal for such members of this House who are willing to sit down and shut up under the circumstances.

Mr. T. P. Reid: That is the best speech he has made.

Mr. Speaker: I wonder if the hon. minister would permit us to complete Bill 55. The motion has been carried for second reading; do I then understand that bill 55 shall be referred to the legal administration committee? Is this correct?

Agreed to.

CIVIL RIGHTS STATUTE LAW AMENDMENT ACT, 1971

Hon. A. F. Lawrence, in the absence of hon. Mr. Davis, moves second reading of Bill 56, The Civil Rights Statute Law Amendment Act, 1971.

Motion agreed to; second reading of the bill.

Mr. Speaker: This bill then shall be referred to the standing committee?

Agreed to.

JUDICATURE ACT

Hon. A. F. Lawrence moves second reading of Bill 83, An Act to amend The Judicature Act.

Motion agreed to; second reading of the bill.

Mr. Speaker: Shall this bill also be referred to the standing committee on legal administration?

Agreed to.

Mr. J. Renwick: Mr Speaker, just before you call 6 of the clock, would the House leader tell us whether he intends to proceed with the order of business that he advised us of this afternoon and this evening?

Hon. A. A. Wishart (Minister of Financial and Commercial Affairs): Yes, Mr. Speaker, I think I did advise the hon. member that we would pursue these bills as far as we could get forward with them and since the hon. Attorney General will not be here this evening, I think the next bills I mentioned were those of the Provincial Secretary (Mr. Yaremko) which are shown on the order paper at items 18 and 19. They are printed and are ready to be debated on second reading. I think I shall call those at the resumption of the House.

I also mentioned to the members that I would like to take the bills that are in Committee of the Whole House; that is item 6 on the order paper. One of those is mine and one is that of the Minister of Health (Mr. A. B. R. Lawrence). I think the Minister of Lands and Forests (Mr. Brunelle) would be prepared this evening to deal with second reading of two bills of his which appear on the order paper: items 8 and 17. So it will be somewhere in that area we shall be working tonight.

It being 6 o'clock p.m., The House took recess.

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ONTARIO

Legislature of Ontario Debates

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Thursday, June 24, 1971
Evening Session

Speaker: Honourable Fred McIntosh Cass, Q.C.

Clerk: Roderick Lewis, Q.C.

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of this issue.)

LEGISLATIVE ASSEMBLY OF ONTARIO

THURSDAY, JUNE 24, 1971

The House resumed at 8:04 o'clock p.m.

PUBLIC LANDS ACT

Hon. Mr. Brunelle moves second reading of Bill 51, An Act to amend The Public Lands Act.

Motion agreed to; second reading of the bill.

Mr. Speaker: Shall the bill stand ordered for third reading?

Hon. R. Brunelle (Minister of Lands and Forests): No, Mr. Speaker, I would like to move that this bill go to Committee of the Whole House. I have an amendment to it.

Mr. Speaker: The bill shall then go to Committee of the Whole House?

Agreed to.

ENDANGERED SPECIES ACT

Hon. Mr. Brunelle moves second reading of Bill 68, An Act to provide for the Conservation, Protection, and Propagation of Species of Fauna and Flora Threatened with Extinction.

Mr. T. P. Reid (Rainy River): Thank you. Mr. Speaker, I have just a few brief comments on this bill, more in the way of questions really than comments.

We on this side, of course, applaud this bill, and hope that it will serve the purpose indicated in the bill. I wonder if I could ask the minister at this stage really, what if any fauna or flora he or his department considers in danger of extinction at the present time?

Really, I understand we are debating the principle of the bill, Mr. Speaker, and as I say, we are in complete favour of that principle. However, the intent of the bill really leaves everything up to the regulations that may be promulgated following passage of this bill.

I would draw your attention, sir, to section 5 of the bill, in which the last sentence says "that no person shall wilfully"

and then clause (a) and (b), "declared in the regulations to be threatened with extinction."

Now, not that I suggest I am any expert on McRuer, but surely McRuer indicates that government by regulation is something to be avoided at all costs, and I am just a little apprehensive about this bill, Mr. Speaker, because it leaves a great deal of discretionary power in the hands of the minister and his department.

I would draw to your attention, sir, that just last week I believe it was, we passed a bill in which the regulation relating to the sale of timber limits or species on timber limits, which had formerly been under a regulation of The Department of Lands and Forests, was incorporated into the statutes of the Province of Ontario, and at that time I asked the minister if this was just legalizing a regulation that had been in effect for many years, and his answer at that time was: "yes, it was in fact."

Although I realize it may be somewhat irregular, I would ask the minister through you, Mr. Speaker, if he could indicate if his department has in effect already drawn up these so-called regulations, which are referred to in various sections of the bill, notably section 5, and if he can give us some indication of the species that he feels are in danger at the present time?

I might say before the minister rises that we will support this bill.

Mr. Speaker: The hon. member for Wentworth.

Mr. I. Deans (Wentworth): Mr. Speaker—

Mr. V. M. Singer (Downsview): Riverdale suddenly became bashful.

Mr. Deans: No, we were arguing as to who should raise the point, just in case it turned out to be wrong.

Mr. T. P. Reid: You are equally capable.

Mr. Deans: Well, you never can tell who ends up with egg on his face. I was curious in reading the bill, and I asked the minister

if he might explain why, in terms of enforcement and jurisdiction, enforcement of the bill was not made available to municipal police forces; why the minister stopped at the Royal Canadian Mounted Police and the OPP; why in fact the bill was not enforceable by local police forces—as is indicated in section 1(b) of the bill, which ought to be discussed clause by clause and which I suspect will not come up.

It strikes me there is every possibility the jurisdiction of the Royal Canadian Mounted Police would have to be explained to me by the minister; why it was chosen that they would be used in Ontario, as opposed to the Ontario Provincial Police and local police forces. Perhaps the minister could explain that.

Mr. Speaker: The hon. member for Downsview.

Mr. Singer: Mr. Speaker, I am going to take part in this debate substantially under the general terms raised by colleague from Rainy River.

As I read section 3 of the Act, absolute discretion is left to the minister or the Lieutenant-Governor-in-Council as to who is going to act, or on the recommendation of the minister, stop or control actions in relation to any species of flora and fauna that may be threatened with extinction and the two particular sub-parts to that by over-exploitation or for any other factor or factors considered relevant.

What in fact the minister is asking us to do is to give him a blank cheque. Now, certainly we would not suggest that this minister would abuse the very broad powers in the Act, but it occurs to me that an evil minister who might someday occupy that seat could for instance favour certain commercial enterprises at the expense of others, under the very broad and almost *carte blanche* privileges given to the Lieutenant-Governor-in-Council to take action under this section.

For instance, might it not be within the contemplation of a particular minister or a particular cabinet that there would be a glut on the market of some particular firm, and that a favourite fur merchant might be being hurt by this kind of thing, and that for any other factor or factors considered relevant—and they could be anything—they could be a commercial glut on the market—that the Lieutenant Governor could act?

My colleague touched on the recommen-

dations of Mr. Justice McRuer, and this afternoon we dealt with four or five very important statutes. I think, Mr. Speaker, that one must recognize the recommendations of McRuer and the sentiments expressed by the Premier (Mr. Davis) and by the Attorney General (Mr. A. F. Lawrence) should apply to all people, including the Minister of Lands and Forests, and that if he comes to us and asks for powers, somewhere along the line he should set out in the statute whereby he asks for these powers, the guidelines that he is going to use.

When you see in this section 3 the very broad covering phrase that, by reason of over-exploitation, the minister can declare that a particular species of flora and fauna is threatened with extinction, or for any other factor or factors considered relevant, and enact regulations ordering people not to do this at pain of a penalty up to \$3,000, or imprisonment for a term of six months, or both, one must recognize that the minister is being given a very arbitrary kind of power, the extent of which exists only in the minister's mind.

I think, Mr. Speaker, with all of the lip-service that the government is paying to the great principles enunciated by Mr. McRuer, it would well behoove this minister not to ask for second reading at this point, but in fact to take this statute back and to consider either some limiting words to this section 3 or present to us draft regulations which he is prepared to commit the government to. Because frankly, in the way that this is framed, he is in fact asking us for a blank cheque and I do not think any minister of the Crown should be given this kind of absolutely arbitrary power.

With that in mind, and bearing in mind again what my colleague from Rainy River said, that we are going to support it in principle, we think the principle in fact is a reasonable one, but we are suspicious of any minister having this unbridled kind of power. We would suggest that this minister would be well served if, in fact, he would take it back. If he would have his advisers give him some explanatory guidelines which could be set out in the statute, we would feel much more comfortable.

As I say, I am not suggesting that this hon. minister would abuse his power, but the possibility is always there. And frankly, Mr. Speaker, I do not trust this kind of arbitrary power in the hands of any government minister who, having shoved through a sort of blank-cheque type of legislation,

then needs no longer come back to this House to ask for additional permission.

What he is asking us for is absolute power and we think there should be some limitations on it.

Mr. Speaker: Does any other member wish to enter the debate before the minister replies? If not, the hon. minister.

Hon. Mr. Brunelle: Mr. Speaker, I listened with a great deal of interest to the remarks of the hon. members for Rainy River, Wentworth and Downsview, and I hope I can alleviate their concern. This is a very good piece of legislation, the first of its kind in Canada. I have some very brief remarks, and I would like to outline these brief remarks, and I think this will help to allay the fears.

The purpose of this bill, Mr. Speaker, is to provide for the conservation, protection, restoration and propagation of those species of animal and plant life which are in danger of becoming extinct. And although the text of this bill is fairly straightforward and simple, it will nevertheless have a significant and far-reaching effect insofar as assisting in protecting and preserving our environment for us and those who will come after us. The bill provides for the making of regulations to declare any species of animal or plant life endangered.

I will specifically reply to the hon. member for Rainy River that regulations have not yet been declared but will be declared in due course. The decision as to whether any species is endangered must be made with regard to the criteria enumerated in subsection 1 of section 3 of the bill. The specific enumeration of criteria in section 3 is in accordance with the principles—and I hope the hon. member for Downsview—

Mr. Singer: Did the minister say subsection 1, section 3?

Hon. Mr. Brunelle: That is right. In subsection 1 of section 3 of the bill.

Mr. Singer: He means section 3, subsection 1.

Hon. Mr. Brunelle: In subsection 1 of section 3 of the bill.

Mr. Singer: Well, there is no such thing.

Hon. E. Dunlop (Minister without Portfolio): It just depends where the member puts the 1.

Mr. Singer: Subsection 1 of subsection 3? Oh, yes.

Hon. Mr. Brunelle: In subsection 1 of section 3.

Mr. Singer: Now we are on the same.

Hon. Mr. Dunlop: Now you have perceived it.

Hon. Mr. Brunelle: And the hon. member for Downsview, Mr. Speaker, seems to be concerned about the principles of Justice McRuer.

Mr. Singer: Yes.

Hon. Mr. Brunelle: We have consulted—rather we have taken into account—the principles of Mr. Justice McRuer, and the subsection enumerates the criteria in section 3 and is in accordance with the principles advocated in chapter 5 of the first report—

Mr. T. P. Reid: That is pretty raw.

Hon. Mr. Brunelle:—of the royal commission inquiry into civil rights by Mr. Justice McRuer.

Mr. Singer: Including any other factor or factors considered relevant? Where would you find that?

Mr. W. Hodgson (York North): Why do you not keep quite and listen; then you can talk.

Hon. Mr. Brunelle: And also, Mr. Speaker, the making of a regulation declaring any species to be endangered thereby provides protection not only for the species itself but also for its habitat. The protection is afforded by section 5 which sets out prohibited acts with section 6 providing the sanctions.

And as I pointed out when I introduced this bill in first reading, Ontario is providing leadership in Canada in attempting to get on the statute books a law of this nature, since my information is that there is no legislation in any other province and, so far as I am aware, there are only three pieces of legislation in the English-speaking world which are *in pari materia*. First, they are—

Mr. Deans: Which are in what?

Mr. T. P. Reid: What was that again?

Hon. Mr. Brunelle: *In pari materia*.

Mr. Singer: What does that mean?

Hon. Mr. Brunelle: *Pari—p-a-r-i; materia—m-a-t-e-r-i-a.*

Mr. Singer: What does that mean?

Hon. Mr. Brunelle: Well, being a member of the legal profession, Mr. Speaker, I am sure that the hon. member does not need any clarification.

Mr. Singer: Well, I am a little dubious. Could you explain it to us please?

Mr. T. P. Reid: I am not; I am not.

Mr. W. Hodgson: Get up and speak. Or sit down and let him speak if he wants to speak.

Hon. Mr. Brunelle: First, Mr. Speaker, they are the—

Mr. Singer: The member for Riverdale wants to know if *pari materia* is the same as flora and fauna?

Mr. T. P. Reid: Where is Flora tonight, anyway?

Hon. Mr. Dunlop: She is "fauna" somebody else.

Hon. Mr. Brunelle: First, Mr. Speaker, The Antarctic Treaty Act, 1967, of the United Kingdom; second, The Bird Protection Act, 1954, also of the United Kingdom, and third, The Fish and Wildlife Conservation and Protection Act, 1966, of the United States of America.

The Antarctic Treaty Act, 1967, protects animals and plant life in Antarctica and is binding upon all British subjects who are citizens of the United Kingdom and its colonies. As the name of the Act implies, it was enacted to implement a treaty to which the United Kingdom is a signatory.

The Bird Protection Act, 1954, protects wild birds of the United Kingdom and their habitat, and The Fish and Wildlife Conservation and Protection Act protects species of fish and wildlife threatened with extinction and their habitat. It does not appear to protect plant life as this bill does.

Mr. Speaker, the hon. member for Rainy River wanted specific examples. I surmise that he was probably not in the House when I gave first reading, and in my remarks on first reading I mentioned that the notable examples are the peregrine falcon, the bald eagle, and such birds as the cormorant, and such species as the clouded yellow butterfly, and others that will be brought to our attention and will be placed into regulation.

The member for Wentworth was referring

to section 1(b), and Mr. Speaker, the way I understand section 1(b), it says:

In this Act, "officer" means a conservation officer or a deputy conservation officer appointed under The Game and Fish Act, 1961-1962, and also includes a member of the Royal Canadian Mounted Police force or the Ontario Provincial Police force.

This clause, Mr. Speaker, is similar to most of our clauses in other legislation whereby OPP and the Royal Canadian Mounted Police have the same authority as our own conservation officers, so I fail to see why there should be any concern.

Motion agreed to; second reading of the bill.

Mr. Speaker: Shall the bill be ordered for third reading?

Mr. Singer: No, no; committee.

Mr. Speaker: Would the hon. minister indicate the committee? Committee of the Whole House or standing committee?

Hon. Mr. Brunelle: This is a motherhood bill, Mr. Speaker.

Mr. Singer: It is more than that, it is a blank-cheque bill.

Mr. Speaker: Would the hon. minister indicate whether it shall be standing committee or Committee of the Whole House?

Hon. Mr. Brunelle: Committee of the Whole House.

Mr. Speaker: Committee of the Whole House.

Agreed to.

SURVEYS ACT

Hon. Mr. Brunelle moves second reading of Bill 70, An Act to amend The Surveys Act.

Motion agreed to; second reading of the bill.

Mr. Speaker: Shall the bill be ordered for third reading?

Mr. J. Renwick (Riverdale): Committee of the Whole House.

Mr. Speaker: Does the hon. minister concur, Committee of the Whole House?

Agreed to.

Clerk of the House: The sixth order, House in Committee of the Whole; Mr. R. D. Rowe in the chair.

The Honourable the Lieutenant Governor recommends the following:

RESOLVED;

that, the moneys necessary for the purposes of subsection 1 of section 13 and section 34 of The Financial Administration Act shall be paid out of the consolidated revenue fund as provided in Bill 74, An Act to amend The Financial Administration Act.

Resolution concurred in:

Clerk of the House: The Honourable the Lieutenant Governor recommends the following:

RESOLVED;

that, the moneys necessary for the purposes of section 6 of The Tile Drainage Act, 1971, shall be paid out of the consolidated revenue fund as provided in Bill 75, The Tile Drainage Act, 1971.

Resolution concurred in:

Clerk of the House: The Honourable the Lieutenant Governor recommends the following:

RESOLVED;

that, the moneys necessary for the purposes of subsection 4 of section 4 of The Public Service Superannuation Act shall be paid out of the Consolidated Revenue Fund as provided in Bill 78, An Act to amend The Public Service Superannuation Act.

Resolution concurred in.

SECURITIES ACT

House in committee on Bill 49, An Act to amend The Securities Act, 1966.

Mr. Chairman: Bill 49, An Act to amend the Securities Act, 1966. Are there any comments, questions or amendments on the first section? On section 2, I have a notice of amendment from the minister.

Mr. J. Renwick (Riverdale): Mr. Chairman, on section 1.

Mr. Chairman: Yes, the member for Riverdale.

Mr. J. Renwick: Mr. Chairman, when you

were calling the first section, you were meaning the whole of clause 1, is that correct?

Mr. Chairman: Yes.

Mr. J. Renwick: Well, the comment which I have is on sub-clause 2 of clause 1 where there is a revision of the definition of primary distribution to the public and the term has been changed to distribution to the public.

My question to the minister is a very simple one. The report—the merger study—indicated that not only should the word “primary” be dropped but the report indicated that there was no good reason for maintaining the word “public”. The reason given was that the statutory scheme is an all-inclusive one. Either you make disclosure when you are making a distribution, or you come within one of the exemptions that are specifically provided, or failing that, you have the benefit of the exercise of the discretion of the commission. But the point is clearly made in the report that the word “public” is a very deceptive term, almost of impossible definition and that it should be dropped, and yet in the face of that very clear recommendation, the bill retains the words “to the public.” The recommendation of the merger commission was that the word “distribution” would be sufficient.

Mr. P. D. Lawlor (Lakeshore): Mr. Chairman, in order to give some emphasis to that particular thing, at page 47 of the merger study—which you will forgive me on occasion if I lapse into calling the Willis study—it set forth specifically that since the proposed regulatory scheme is intended to be all-inclusive with a residual discretion invested in the commission, the reference to “public” should be removed. Then it goes on further down the page to claim at 3.21 that the term is really misleading and gets into this whole area of need to know, the definition of who the public is. Really, for some reason or other, in face of the recommendations made in the Willis study, you felt it necessary to retain this particular point, while even at the same time retaining the distinction between primary distribution on one hand and secondary offerings on the other.

True, that is a sort of natural distinction, the latter one, but it does tie in with the basic concepts arising in section 35 and other sections of this bill, or of The Securities Act itself, which runs counter to, or at least does not carry out at all, the purposes set forth by the merger study in this regard.

Hon. A. A. Wishart (Minister of Financial and Commercial Affairs): Mr. Chairman, I am

familiar with the recommendations of the Moore report, which I have had in hand and it did make recommendations, both with respect to the word "primary" distribution and to the "public" and discussed that at some length. On the meaning of "public," they start discussing that at the foot of page 41, and go along, as the member for Lakeshore says, to a final recommendation which is on pages 46, 47 and following.

We did not adopt that and we did drop the word "primary," because I think that the recommendation of the commission and its reasons for making any distinction between distribution as primary or secondary, there was not much good reason for that, and it widened the scope of the commission's powers so that they could look at any distribution.

But when we come to the word "public" there is a distinction between the people who deal in securities in the market and there is a clear understanding among people generally that people, citizens who are not in the trade, who are not in the organized dealing of securities, are not investment companies, are not corporations, are not banks, are not finance companies, they are in a very different class of situation.

They have not the knowledge of the sophisticated investor, they are the public, and there is no reason really—and this is my thinking as to why we retained the word—that when you are dealing with classes of trade between knowledgeable, sophisticated, experienced investing organizations, you cannot make an exemption with respect to disclosure or prospectuses or statements and so on, certain information which you could very well not take into account.

These people are able to take care of themselves. In other words, they know the trade they are in, they know that market, they know that field, but for the public—that is why I used the word and that is why it must be retained—for the public you cannot take the same view. The public must be protected. The commission must look at those trades.

I quite agree that you could drop the word altogether and let the commission look at everything, as it does in any event, but I think to retain it so as to make that distinction is quite reasonable and quite proper.

The Moore report somewhere in its discussions speaks of the decisions which the commission has made in dealing with these exemptions, and it says some of the decisions

would appear to have been incongruous. That may be, but certainly the judgement of the commission was called upon and I think it is reasonable that that remain. On page 45 it says:

The commission presently has at 3.16 through applications made to it under section 59, subsection 1, resolved the doubt that the applicant may have by declaring the recipient is not the "public." Therefore the transaction would not constitute primary distribution to the public.

We have dropped "primary" out at that point, but the word "public"—there are two meanings, and I think to lump it all together, putting everybody in as public, just overlooks and varies the very clear distinction between the ordinary citizen who does not know the market game, who is not knowledgeable, and those very capable investing concerns who deal with securities, whose business it is to deal with them, and who are quite capable of finding out what information should be disclosed to them. So I would prefer to retain the word as we do in the bill. I do not think we are in a position to remove it at this time.

Mr. Chairman: Any discussion on any other part of the bill? The member for Lakeshore.

Mr. Lawlor: Mr. Chairman, I would like to ask the hon. minister—you have seen fit, and I am certainly in accord with it, to begin to spell out in terms of the secondary primary, or the secondary offerings, the previously issued securities—what he means by substantially or materially affecting the control of the company in the distribution to the public, and you have set upon, in accord with the merger study, 20 per cent of the outstanding equity shares in the corporation.

What puzzles me is that in much of your legislation, while you are prepared to do it on these grounds here, do you or do you not agree that 20 per cent is a pretty shrewd figure for control of corporations by and large these days? And is that not the reason that you set upon setting that figure rather than any other for the purposes of distribution to the public?

Hon. Mr. Wishart: Yes, Mr. Chairman, I do agree that you can do a very great deal, even with 20 per cent. There is no magic in any percentage that you might choose, but in some of our legislation where we are dealing with control in a sense of foreign control in other legislation, we use 25 per cent as a total. Sometimes, in some of our

legislation I believe it goes to the question of the majority control, 49 as against 51.

We have in some of our legislation the requirement that no individual may hold more than 10, or that no group—we are talking about foreign control in that type of legislation—may have more than 25 per cent, which is quite often generally sufficient—unless there is a concerted knowledge and effort to oppose that interest—it is quite often sufficient to exercise complete control of the company's activities.

We have followed the recommendation of the commission here and that is perhaps the only way that I can defend that. I think it is reasonable and, as I say, there would be no magic in any percentage. We can lower it. We have not done so, nor have we raised it.

Mr. Lawlor: Just one point on that, Mr. Chairman, in your Bill 64, you know, the one that you had before, with respect to the distribution of periodicals—

Hon. Mr. Wishart: Yes.

Mr. Lawlor: —you somewhat arbitrarily, in that context, as I recall, set it at 50 per cent.

Hon. Mr. Wishart: It was 25-10 as I recall.

Mr. Lawlor: No, I am sorry, it is 25 per cent.

Hon. Mr. Wishart: Ten for the individual, 25 for the total.

Mr. Lawlor: Just one other thought. It does tie in with your takeover bid provisions which also, when including already held equity stock, when it rises to 20 per cent, constitutes your definition of a takeover bid? Thank you.

Section 1 agreed to.

On section 2:

Mr. Chairman: I have notice of amendments by the minister.

Hon. Mr. Wishart: Mr. Chairman, yes. I have two amendments to offer to section 2. I move that the bill be amended by adding to section 2, paragraph 1(a), subsection 1 of section 2, The Securities Act, 1966, as amended by section 2 of The Securities Amendment Act, 1968, the further amendment by striking out "five" in the amendment of 1968 and inserting in lieu thereof, "seven," so that the subsection shall read as follows:

(1) The commission, which shall be responsible for the administration of this Act, shall be composed of a chairman and

not more than seven other members, one of whom shall be designated as vice-chairman.

Mr. Chairman, if I might be allowed to speak to that, having moved it, before sitting down, I would say that perhaps hon. members could quite rightly charge me with being negligent in not having it in the bill as I present it to the House. I would, perhaps, accept something in the nature of a reprimand for that but—

Mr. Lawlor: Oh, no.

Mr. J. Renwick: Just resign. Have a by-election in Sault Ste. Marie.

Hon. Mr. Wishart: I was not aware—in the time I have been minister—when we were in the preparation of this bill, of the extent of the work of the commission, of which I have become aware after this bill was drafted. I find that there are a great many hearings and that the present composition of the Securities Commission does not make sufficient persons available for hearings, and we particularly would like to have hearings where three members sit so that we just do not have two members sitting as we have been constrained to do.

The hon. members will realize that if you have two members sitting in a hearing and they may have a very honest difference of opinion you cannot get a very satisfactory decision, so we want to be able to have our hearings comprised of at least three members. Sometimes it is desirable to have hearings going on at the same time on different matters; with only five members quite often we cannot even get one hearing with three members sitting. So the need for enlargement of the commission to seven is very necessary and I would ask that this amendment be adopted.

Motion agreed to.

Hon. Mr. Wishart: Mr. Chairman, I have another amendment to subsection 2 of section 2; that paragraph 9, as contained in subsection 2 of section 2 of the bill, be amended by inserting after "company" in the second line "with another company." I think the explanation I have to offer is that this amendment restores words that are contained in the present paragraph of the Act and were omitted accidentally in the typing of the bill.

Mr. Chairman: The member for Lakeshore.

Mr. Lawlor: I think the minister may agree with me that when we get to 9(b)—

Mr. Chairman: If we could just carry this and get it out of the way first. Shall this motion as proposed by the minister carry?

Motion agreed to.

Mr. Chairman: The hon. minister.

Hon. Mr. Wishart: I have an amendment for—

Mr. J. Renwick: Mr. Chairman, if I may, I have a comment on 9(a).

Mr. Chairman: Yes.

Mr. J. Renwick: If one looks at the proposed 9(a), this is part of amendments to the exempting section, so that registration is not required by any person or company for practical purposes to trade in certain securities. In each of the other sections there is the word "by"—by whom it is done. For example, a trade in of a security by a person or company acting solely through an agent, a trade by or for the account of a pledgee, a trade where one of the parties is a bank to which The Bank Act applies, an isolated trade in of a specific security by or on behalf of the owner, a trade in a security by an executor.

In the amending ones the minister has before us, in section 9, it is a trade in a security of a company by or for the account of such company with another company, a trade in a security by a company as consideration for a portion of all its assets and so on. In 9(a) there is no such clause. I do not know whether it is particularly significant. Presumably it is a trade in a security of a company by any person in connection with an offer to purchase shares. It is probably a minor drafting error—maybe it has no significance—but from the point of view of consistency of the language, there should be a preposition or—what do we call those?—by some person who is carrying out that particular trade. Have I made myself clear?

Hon. Mr. Wishart: I do not quite follow the hon. member, because if I may just speak to 9(a), it is one of the exemptions. A trade in a security of a company—

Mr. J. Renwick: Then it should be by somebody because the section says, "Subject to the regulations, registration"—that is, registration of some person—"is not required in respect to the following trades." It must be a trade in a security by a person or a company—by a person, because it is that person who is exempted from the requirement of registration. It is there throughout the

section. I am not going to make a great point of it but if the commission reads it, maybe they will come in with an amendment next year.

Hon. Mr. Wishart: Mr. Chairman, I have no objection to varying the draft but I do not want to move an amendment at this moment without looking at it a little further. I see the hon. member's point. I think, however, that 9(a) is wide enough to cover the situation for whatever case, but we can look at it and see if we can insert it. I would be quite glad to insert it if it is felt advisable that we should do so before the bill is finalized.

I have the amendment to section 2, subsection 2; it is 9(b). I move that paragraph 9(b) as contained in subsection 2 of section 2 of the bill be deleted and the following substituted therefor:

A trade in a security by a company as consideration for a portion of or all of the assets of any person other than an individual, or any company who agrees to hold the securities for investment only and not with the view to resale or distribution, if the fair value of the assets so purchased is not less than \$100,000.

The amendment makes it clear, Mr. Chairman, that the exemption shall only apply if the securities acquired are held for investment purposes only and not for resale. That does not appear in 9(b) at the moment, so it narrows it to that purpose.

Mr. J. Renwick: I am not certain that I quite understand the significance of the amendment. I can understand—

Mr. Chairman: Perhaps I should place the amendment for the hon. member for Riverdale, in case there is some misunderstanding of it.

Mr. J. Renwick: I am sorry.

Mr. Chairman: Mr. Wishart moves that paragraph 9(b) as contained in subsection 2 of section 2 of the bill be deleted and the following substituted therefor:

9(b) A trade in a security by a company as consideration for a portion of or all of the assets of any person other than an individual, or any company who agrees to hold the securities for investment only and not with the view to resale or distribution, if the fair value of the assets so purchased is not less than \$100,000.

Hon. Mr. Wishart: Does the hon. member have the amendment before him?

Mr. J. Renwick: Yes; I have. I am confused. I understand the "trade in security by a company as consideration for a portion of or all of the assets—of any company—who agrees to hold the securities for investment only." I am confused by the insertion of the words, "other than an individual," because I take this to be the exemption under which a company could be incorporated and buy, for example, all of the assets, provided they are over \$100,000, of a sole proprietorship. I assume then, "provided the individual agrees to hold the securities for investment only and not with a view to resale or distribution." It seems to me that inadvertently the words, "other than an individual," strip the word, "person," of very much meaning because perhaps he meant to put in—I do not know what the "person" is other than an individual from whom the assets could be purchased. My point is that this would appear to prohibit a company being incorporated for the purpose of acquiring the assets of a sole proprietorship in such a way as to permit the person who received the securities, that is, the sole proprietor, from the requirement of registration, provided he was prepared to hold them for investment only and not with view to resale.

Hon. Mr. Wishart: I regret that I have not got the main Act in front of me, but there is a definition of "person" and perhaps I could get the definition.

Mr. J. Renwick: Mr. Chairman, the definition of "person" means an individual, partnership, unincorporated association, unincorporated organization, unincorporated syndicate, trustee, executor, administrator, or other legal person or representative.

Now, of all those groups that are included within the word "person," presumably this is going to permit the trade in a security by a company without registration, except in the case of an individual.

In many cases the common form of business transaction is for a sole proprietor to incorporate a company and sell his business to that company. I do not think that he should be penalized here by being required in some way, to register before he can effect that trade. I agree with the proposition that he should indicate that he is going to hold the securities that he gets for investment and not for resale, but I do not think that he should be—well, let me try once more to make it clear.

You have two businesses; one is a partnership, one is a sole proprietorship. As I read the section, a company could be incorporated for the purpose of purchasing the assets in excess of \$100,000 of the partnership without being required to register to carry out the trade. But when the minister inserts the words "other than an individual," you come to the situation of the sole proprietor instead of a partnership. I would take it that he would not be able, without registration, to incorporate a company for the purpose of buying his assets in excess of \$100,000 and taking securities for them, unless he himself is registered.

I do not want to labour the point, but it seems to me that perhaps the minister could give consideration to that before the bill comes finally through the House, and see whether or not the point I make is worthwhile. It is really just the words—

Hon. Mr. Wishart: "Other than an individual."

Mr. J. Renwick: —"other than an individual" which cause me some trouble.

Hon. Mr. Wishart: I will be glad to look at it, Mr. Chairman, and see if I can find any reason why those words should not be removed.

Mr. V. M. Singer (Downsview): Well Mr. Chairman, I follow him on the point, and the minister says he will be glad to look at it.

I am puzzled by the explanatory note. "The amendment restores the words contained in the present paragraph 9, and omitted accidentally." Does he mean that he—

Hon. Mr. Wishart: No, no. That is not what we are talking about.

Mr. Singer: Oh, the explanatory note is on the bottom. I am sorry. "The amendment makes it clear the exemption shall only apply to securities acquired or held for investment purposes only and not for resale."

Mr. J. Renwick: And I am quite happy with that. I just do not understand why the words were not in the statement, or does he include it in that?

Hon. Mr. Wishart: I shall be glad to look at it.

Mr. Chairman: In the meantime, shall this amendment as proposed by hon. Mr. Wishart carry?

Motion agreed to.

Mr. Lawlor: Mr. Chairman, I am sorry. I was talking about 9(b). You can see they have the small 9(a) and the small 9(b) but previously, there is subsection (b) of section 9-1.

Mr. Chairman: On which page are you?

Mr. Lawlor: The main nine.

Mr. Chairman: On page —

Mr. Lawlor: I will not take very much time, Mr. Chairman. I just want to explore for a moment some verbalisms with the minister as to the use of the word "merge."

There is no necessity for traders for registration, if the trade happens to fall within these certain categories. One of them has to do with what I would call a merger, where one company takes the assets of the other company, and the one company loses its existence in law, but the minister used the term "under which the existing companies merge in a new company," a third company. Should that not more properly be, "consolidated into another company"?

In other words, while the minister's Act is highly technical, he does not use technical language. When one company becomes part of another company, it is a merger. When both companies lose their identity and existence into a third entity, which is the new company, it becomes a consolidation. I am just wondering why the minister does not use language that way.

Hon. Mr. Wishart: First of all, I think the word "merger" was used quite often in the report, and I would be interested to see if I could put my finger on it, but in subsection 9 of section 2 of the 9(b) to which the hon. member addresses his remarks, I would say this, first of all, that this is only where it is done under a statutory procedure, or by operation of law. I think "merger" is not an uncommon word—

Mr. Lawlor: Take a look at page 79.

Hon. Mr. Wishart: Yes thank you. Paragraph 6(13):

Merger and consolidation have not been the subject of judicial interpretation. The words appear to have been adopted from company law in the United States and have been explained as follows; . . . They are unknown in Ontario law. . . . They are used by the legal profession in a non-technical manner to describe the actual result of business combinations, for example—

And so forth.

They do not, I think, recommend that we do not use the word, but they do point out that we do not have a technical definition of them.

Mr. Lawlor: As I read it, it is a kind of a yearning to make the distinction. He goes to the trouble of pointing out that it is used in the States a great deal and our law, after all, springs immediately upon the SEC situation. However, I am not going to press it. It is a point you may consider, though in future.

Hon. Mr. Wishart: I read the Securities Commission report as approving the use of the word. They do not say so in so many words but they say:

These forms of statutory merger and consolidation are unknown to Ontario law. The words are used by the legal profession in a non-technical manner to describe the actual result of business combinations—

And so forth. Then they say:

Assuming adequate invested disclosure, subject to the rules regarding resale—

Which is exactly what we are concerned with here:

—our recommendations are intended to bring order and clarity to this exemption.

That is the exemption by way of merger.

I do not think it is a serious harm by using it. However, that I would look at again, and if we could use—I do not know—"reorganization" would not fit the situation. "Combination" hardly seems large enough. "Merger," or "merger," does convey to my mind—

Mr. Lawlor: I was suggesting "consolidate."

Hon. Mr. Wishart: —a closer melding than some other word. What is the other word the hon. member suggests?

Mr. Lawlor: "Consolidate."

Hon. Mr. Wishart: "Consolidation?"

Mr. Lawlor: No, the verb, "consolidate."

Hon. Mr. Wishart: "Consolidate?" I think one can "consolidate" something without "merging" it. However, I can look at it. That is all I would undertake to do.

Mr. Lawlor: Yes, it is not that important.

Mr. Chairman: Shall section 2 then, as amended, stand as part of the bill? The member for Riverdale.

Mr. J. Renwick: Mr. Chairman, again just by way of comment, I think that someone is going to have to go through the Act at some time and look at this term, "private company," because The Business Corporations Act, of course, insofar as provincial companies are concerned, does not contain any such definition. I think that there is danger of some confusion if one looks at the definitions in the definition section of the Act of "private company" and "public company." They are no longer as appropriate as they used to be.

I am not suggesting that we can do it at this time, but again I think it is a point for the next time. It may be just a technical amendment, but at the same time it may be a matter of substance and a check would be worthwhile throughout the whole of the Act where that term "private company" is used.

Section 2, as amended, agreed to.

Mr. Chairman: Are there any other questions, comments, or amendments to any of the sections up to and including section 20?

Mr. J. Renwick: Yes.

Mr. Chairman: If so, which section?

Mr. J. Renwick: I think clause 12, Mr. Chairman, is an—

Mr. Chairman: Anything before section 12 then?

Mr. J. Renwick: —important clause. I have nothing before clause 12.

Mr. Chairman: The member for Riverdale then.

On section 12:

Mr. J. Renwick: Clause 12 deals substantially with matters which are dealt with in the merger report. The purpose is to cover a specific loophole by which a person could, by taking advantage of the exemption and indicating that he was going to hold for investment and not for resale, get securities without having disclosure made with respect to the company.

Now, I take it that the purpose of this is to give some added weight to this question of buying as principal in the first instance and buying for investment only and not with a view to resale or distribution.

I take it that, when one looks at the amendment which the minister is introducing, it does not seem to me in any place that

there is any definition or indication of what the meaning is of the phrase as principal for investment only and not with a view to resale or distribution.

That, I think, is the crux of one section of the merger study report and perhaps the minister can explain to me what the commission does with respect to a person who makes the commitment that he is buying as principal for investment only and not with a view to resale or distribution, and then proceeds to breach that particular undertaking. How does the commission police it or follow it up, because that is the danger which is trying to be eliminated.

Hon. Mr. Wishart: I would think, first of all, to deal with the section as it stands, I think its meaning is clear. Perhaps the hon. member is not raising the question as to that, a proposed purchaser who purchases as principal for investment only and not with a view to resale or distribution. That is what the explanatory note says. It does go a little further than that actually, it says for "his own account." I do not know if it is really that narrow or not but I think that is the clear intention, that the purchaser is buying the securities to place in his own investment fund, he is not going to resell them.

Now, on the further question as to what you do if he breaches his undertaking, I would say that there are sufficient provisions in The Securities Act, if you find that person then distributing those shares to the public, he certainly is in contravention. He would definitely be in contravention of the provisions of the Act which require registration and further disclosure and so on. And he would be in very serious jeopardy of penalty and prosecution. That is all I can say without putting my finger on the section.

Mr. Chairman: Does section 12 stand as part of the bill? Mr. Lawlor?

Mr. Lawlor: Yes, it is on the same area. Actually, it has reference to 12(1)(b). The recommendation in the merger study at page 50 reads as follows:

As a matter of drafting technique, it is recommended that for greater certainty and clarity the exemptions based on the need to know concept incorporated in section 58 by cross-reference to subsections 1 and 3 of section 19, should be set out in detail in section 58.

The basic reference, of course, in the section here is over to the private placement

concept which, of course, constitutes them as exempt purchasers; except that they have to file a memorandum with the Securities Commission, where it takes them out of the Act so far as section 35 of prospectus disclosure is concerned.

Why did the minister not see fit to follow the recommendation of the merger study in drawing out to some length the exemptions?

Hon. Mr. Wishart: I do not know as I agree with the recommendation. That is what I would answer at the moment. I think the type of persons who are going to be dealing with The Securities Act, rather than repeating almost ad nauseam a previous section saying, "this is what it says," which is what that would amount to; you make the reference back to the section, and that is standard procedure in our law.

I would have no objection to going that way, but I think the people who drafted this bill probably thought it was a wiser, simpler way to do it this way. And the people who are going to be handling The Securities Act are lawyers, dealers who are very capable of following it and know what is required of them.

I might say to the hon. member we propose that our next step is going to be picking up our Securities Act which is not so old; picking up the amendments which you found it necessary to insert and rewriting it before long so we can put it in a proper shape and then perhaps we can pick up some of these proposals. But I do not know if this is a very serious or a very good one to follow.

Mr. Lawlor: May I just ask a general question under that head of "picking up"? This study spends a good deal of time talking about reporting and non-reporting companies. I suppose it is a fairly technical term. Is it your intention to couch that type of terminology into new legislation too?

Hon. Mr. Wishart: What terminology?

Mr. Lawlor: The distinction between reporting and non-reporting companies. This is the terms in which this is discussed. That type of terminology does not appear anywhere in your legislation.

Hon. Mr. Wishart: No, it does not, and I do not know what our final decision on that point will be.

Section 12 agreed to.

Mr. Chairman: Any other comments, ques-

tions or amendments on any other section up to and including section 20? If not the hon. minister has an amendment to section 21.

On section 21:

Hon. Mr. Wishart: Mr. Chairman, in respect to section 21, I move that subclause (i) of clause (b), as contained in section 21 of the bill, be amended by striking out "individual" in the second line.

My explanatory note with respect to that, Mr. Chairman, is that the word "individual" is deleted to ensure that offers to purchase shares by agreement with fewer than 15 shareholders may be exempt offers even though one or more of the shareholders is a company.

Mr. Chairman: Mr. Wishart moves that subclause (i) of subclause (b) as contained in section 21 of the bill be amended by striking out the word "individual" in the second line. Shall this amendment carry?

Motion agreed to.

Section 21, as amended, agreed to.

Mr. Chairman: The hon. minister has an amendment to section 22.

On section 22:

Hon. Mr. Wishart: Mr. Chairman, I move that paragraph 10, as contained in section 22 of the bill, be amended by adding at the end thereof the words:

Or where the action of the board of directors of the offeree company subsequent to the date of the offer materially changes the undertakings, assets or capital of the offeree company.

I do not know if the hon. members have my explanatory note on their amendment placed before them, but the explanatory note reads:

This prevents the inclusion of the so-called market-out clause as recommended by the merger study. At the same time it will prevent the withdrawal of the offer when the nature of the offeree company is changed through defensive tactics of its directors.

I think the meaning of the amendment is quite clear, so that after an offer is made, if there is a defensive tactic to change the undertaking, the assets or the capital of the offeree company, it is covered by this amendment.

Mr. J. Renwick: That means that the offeror can get out on a second condition, is that it? If there is a material change—

Hon. Mr. Wishart: If there is a material change.

Mr. J. Renwick: —in the undertaking, assets or capital of the company or share he is offering to buy, he can get out as well as—

Hon. Mr. Wishart: It will prevent the withdrawal of the offer when the nature of the offeree company is changed through defensive tactics of its directors.

Mr. J. Renwick: I think that must be worded wrongly. Because the condition says:

The offeror shall not attach any conditions to the offer except the right to withdraw the offer if the offeree fails to tender the minimum number of shares the offeror is bound and willing to take up, or where the action of the board of directors of the offeree company, subsequent to the date of the offer, materially changes the undertaking—

That, in other words, gives the offeror an opportunity to breach a second condition, rather than locking him in.

Hon. Mr. Wishart: Just let me check. Perhaps if I read the two—the member has the amendment before him; maybe the explanatory note is not very clear. Perhaps it is a little confusing actually, because it simply adds to paragraph 10. I shall read it all, so that he can get the full sense of it.

The offeror shall not attach any conditions to the offer except the right to withdraw the offer if the offeree fails to tender the minimum number of shares the offeror is bound and willing to take up, or—

and this is the exception:

Mr. J. Renwick: This is the second exception.

Hon. Mr. Wishart: To continue:

—or where the action of the board of directors of the offeree company, subsequent to the date of the offer, materially changes the undertaking, the assets or capital of the offeree company.

I think perhaps I can explain it better than the explanatory note: If the operating company changes its state materially, the offeror is not bound.

Mr. Chairman: Will the motion as amended carry?

Mr. Lawlor: Well, Mr. Chairman—

Mr. Chairman: On this particular section?

Mr. Lawlor: Yes, the section, I presume, is 22.

Mr. Chairman: Section 22, paragraph 10.

Mr. Lawlor: Seven.

Hon. Mr. Wishart: Seven?

Mr. Lawlor: I just want to mention it. That was a recommendation of Kimber's, as far as I can determine. That is, when there is a partial offering for shares, they are then picked up and they have to be picked up on a pro rata basis.

Hon. Mr. Wishart: Right.

Mr. Lawlor: I have not checked that out, but was that not part of the previous law?

Hon. Mr. Wishart: No, I think not. As I recall, we had some very recent examples of that. One of them was I think a year ago. It concerned some racetrack company, or some company called a racetrack, but an offer was made to certain shareholders for their shares at a very nice price and that was all they needed to pick up. Those who had some small holdings on the side were left holding the bag, as it were. They could not sell them. They could not get that kind of a price. They were taken over. The company was controlled by new people, but only certain persons were given the offer. Now, this amendment says if the offer is made, the shares must be picked up by all the shareholders pro rata.

Mr. Lawlor: I just want to comment on sections 8 and 9, which are brand new and which—9 at least, was taken from page 95 of the merger study.

There was an extremely bad practice, as I understand it, of making an offer for shares to shareholders of the company and then purchasing the shares off the stock market and reducing the amount of their offer by the amount that you were able to pick up surreptitiously, so to speak, or at least anonymously, through the regular channels of the market. I know Willis spends a good deal of time on this, almost in tones of being a little incensed as to that particular bad practice and the move here to alter the law in that regard certainly is highly beneficial.

Section 22, as amended, agreed to.

Hon. Mr. Wishart: I should have said, Mr. Chairman, when we were talking about the word "merger," I just realized we keep talking about the merger report.

Mr. Lawlor: Yes, merger report, yes. They are using it very broadly now.

Mr. Chairman: Are there any other questions, comments or amendments to any section up to and including section 30?

If so, which section?

If not, we have an amendment for section 31.

On section 26:

Mr. Lawlor: I would like to ask a question. I am interested in the undisclosed principle situation, as the minister has it in section 26, where a takeover bid is for less than all the outstanding equity shares, the identity of the offerors shall be disclosed, but if the offer is for all of the equity stock, then there is no necessity for disclosure.

Would the hon. minister have any comments as to why this distinction?

Hon. Mr. Wishart: If I might have a moment to just check that.

Mr. Lawlor: Why does it make any difference whether he is going to take over all of them or only a portion? It is still a takeover bid.

Hon. Mr. Wishart: It is found on page 101 of the report, the identity of a cash bidder, and at paragraph 7-31. The Kimber committee in paragraph 3-18 recommended that the cash bidder should not be forced to reveal his identity, at a cash transaction. "In 41 of the 87 takeover bids, cash was the sole consideration and in only three of these was the identity of the cash bidder concealed."

I guess I am making the point that it was not the common practice to hide the identity.

It was submitted that the identity of the bidder may be an important piece of investment information in considering whether to continue to hold or sell shares, when the offeree might otherwise have no present intention of selling these shares. On the other hand (as the Kimber committee concluded), with the identity of the bidder concealed, the offeree would be unswayed by any factor, excepting his assessment of the price offered in relation to the market price and the companies long-term prospects. The recent amendments to the 1934

Act require the cash bidder to be identified.

Apparently, that is in there. Then they go on:

Where the takeover bid is for less than all of the outstanding shares, we have concluded the offeree is entitled to know the identity of the cash bidder with whom he might become associated. When the bid is for all of the shares, we recommend no change to the present law.

So we are simply adopting the recommendations of this very able committee.

Section 26 agreed to.

Mr. Chairman: Any other comments, questions or amendments up to and including section 30?

It would appear not. The hon. minister has an amendment for section 31, I believe.

On section 31:

Hon. Mr. Wishart: On section 31, Mr. Chairman, I move that subsection 1 of section 109(a), as contained in section 31 of the bill, be amended by inserting after "insider" in the second line, the words, "Under this part or The Business Corporations Act, 1970."

The explanatory note that I have says, the addition adds insiders of Ontario corporations to those who are required to report the acquisition mentioned in section 109(a) of subsection 1.

Mr. Chairman: Hon. Mr. Wishart moves that subsection 1 of section 109(a), as contained in section 31 of the bill, be amended by inserting after the word "insider" in the second line, the words "under this part of The Business Corporations Act, 1970." Shall this motion carry?

Motion agreed to.

Mr. Chairman: Shall this section, as amended, stand as part of the bill?

Mr. Lawlor: Just one question, if I may, Mr. Chairman. Is this the section that is directed basically to timely disclosure, where an insider becomes a controlled person? It is like a takeover situation is it not?

Hon. Mr. Wishart: It is very similar. It is the insider report—

Mr. Lawlor: He has to issue, he has to turn out an up to date circular in order to—all right, I understand this part.

Mr. Chairman: The section as amended shall carry then?

Agreed.

Mr. Chairman: Are there any other comments, questions or amendments to any other section of this bill? If not, shall the bill as amended be reported?

Bill 49, as amended, reported.

Mr. Renwick: Mr. Chairman, I wonder if I might ask the minister one question on the bill, not talking about the bill not being reported? I asked during the second reading of the bill if the commission could provide us with a summary statement of those recommendations of the merger study which are implemented by these amendments and those which remain to be implemented. I wanted to remind the minister that it would be most helpful to us if he could ask the commission to write to us and set out what parts of the merger study have been now dealt with through this amendment to The Securities Act, and what parts remain to be dealt with, without any commitment, of course, on their part that they will be dealt with.

Hon. Mr. Wishart: Yes Mr. Chairman, I recall this early in my estimates. As a matter of fact, I seem to recall that some time after the question was asked, I got a note from my staff that all the recommendations had been adopted with the exception, I think, of one. Perhaps I did not preserve that answer.

In any event, I would be glad to note the request again and to get word, to write to the hon. member and give him that information. I think we have been pretty complete in picking up the recommendations of this committee.

There was another question asked during my estimates. I do not know at all if the members want me to burden them with the reply, but I remember I was being asked, "what is the equation?" I had some difficulty saying what it was, but I remember it was in the report. I will just say that it is found at "acquisition equation." It is found at page 120 and pages following, with various—

Mr. J. Renwick: I think we were putting the minister on that day.

Hon. Mr. Wishart: —algebraic examples, which the hon. members can read for themselves.

Hon. Mr. Wishart moves the committee rise and report three resolutions concurred in and

one bill with certain amendments, and ask for leave to sit again.

Motion agreed to.

The House resumed, Mr. Speaker in the chair.

Mr. Chairman: Mr. Speaker, the Committee of the Whole House reports three resolutions concurred in and one bill with certain amendments, and asks for leave to sit again.

Report agreed to.

LIQUOR LICENCE ACT

Hon. Mr. Yaremko moves second reading of Bill 71, An Act to amend the Liquor Licence Act.

Mr. Speaker: The hon. member for Downsview.

Mr. V. M. Singer (Downsview): Mr Speaker, Bill 71 ties in with the statement that the minister made on June 21 and as is reported in Hansard at pages 2972 and following. Frankly it is a little hard to follow the minister's statement and compare it with the statutes, compare it with the regulations, and compare it with the customs. I grant that the minister said, "I will in my remarks"—and I am paraphrasing—"advise you of changes that are both in the statutes and in the regulations and do it together." He neglected to mention the customs of the Act, because so much of the administration of the Act was carried in the mind of His Honour Judge Robb, and these customs I gather have been transmitted, by some osmosis, to Mr. Mackey, that one begins to wonder really where one finds the laws about liquor licensing.

Do you find them in the statutes? Do you find them in the regulations? Or do you, in fact, find them in the customs? Or do you, in fact, find them in the minds of the gentlemen who are administering the liquor licence applications?

This is where it gets so confusing. The minister announced a whole series of recommendations that were going to bring us into modern times—I think that was one of his phrases—and sort of remove some of the anomalies that were already in the statute. He talked about such things as, well, on page 2972:

In order to maintain our general approach that beverage alcohol should be available in conjunction with food, proprietors will have to manage their affairs so that the total receipts for the sale of liquor

in any month shall not exceed the total receipts from the sale of food.

Now I have not quite seen that in the statute. It may be in the regulations, or it may be, again, one of those things that is in the minds of the various people that look after these things.

But I was listening the other morning, Mr. Speaker, to a skit on the CBC, I do not know whether it was Max Ferguson, or who it was, but the thrust of it was that in a certain bar where a chap had appeared to have a drink, and was offering to buy a drink for a young lady who happened to be sitting beside him, he was rudely refused by the young lady who did not want a drink. She in fact wanted a salad.

The moral appeared to be that she was in league with the proprietor of the bar who had arrived at the magnificent conclusion that that day they had not sold enough booze, but they had to sell more food. So that if she was going to freeload and balance the books in accordance with the new policies enunciated, somebody had to make sure they sold enough salads, because earlier in the day they had sold more booze.

It seems a little peculiar to me. The minister is apparently trying to remove the anomaly of the rubber sandwich, that has been served umpteen times a day and keeps on being sold and served and taken back and resold and served. But I wonder at the mechanics of the enforcement of this sort of new and, perhaps, in principle, intelligent change. Somewhere along the line are we taking the initiative away from the blanket old-style order, and suggesting that now it is going to lie in the mind of the bartender or the proprietor as to when the books are, in fact, balanced?

The member for Riverdale and I, for instance, should go in for a drink some evening, and the proprietor will say: "We have had a difficult day. We sold too much booze, so you must order food, otherwise we will not serve you." Yet the fellow who has come in earlier, or comes in later, does not have that kind of arbitrary pronouncement. How is this going to work? And is this not just sort of begging for abuse? Is not this sort of thing inviting very arbitrary actions on the part of the proprietors and the help of these various bars?

This is only one of the anomalies, Mr. Speaker, that are repeated in this Act. This minister says: "I am happy to announce new policies. The Liquor Licence Board will make

it even possible, under certain conditions, for establishments to open with the licence on the wall." This is a brave new move. Again, I cannot find it in the statute. It may be in the regulations or I would suggest, more likely, it is in the custom.

For instance, those people who opened places to purvey beverages at Ontario Place, certainly opened with the licence on the wall. There was no question of their having been in business six months before, so there is nothing really very new or unique.

What puzzles me very much about this kind of thinking that the government does and that the minister does, when he makes this kind of pronouncement, is the inequity in its application—the absolute inequity in its application.

Because Ontario Place—and one must conclude that this is so—is a government project, those people who were given permission to operate food and drink outlets at Ontario Place, all got their licences on the wall at the time they opened, as do many, many others. As do people who operate some of the big hotels, who are new companies, who have had no experience.

In contradistinction, we have places like—well, let me mention one specifically—places like the restaurant called l'Omelette. Now, I do not know whether the minister, or Mr. Speaker, you are familiar with this restaurant. There is a very excellent restaurant on College Street called l'Omelette. I do not know how good my French is, the Minister of Lands and Forests (Mr. Brunelle) could perhaps correct me in my pronunciation, but he may well have been there. It is a lovely French restaurant that concentrates on serving omelettes. The people are charming, the help is charming, the food is good and it is on College Street.

When they started out—they sell a lot of eggs too, which makes the Minister of Agriculture and Food (Mr. Stewart) very happy—they started in business on College Street, not very far from these buildings. They worked very hard. They could not get their licence.

The regulations, the Act, the mind of the licence granters was such that they could not get their licence immediately, so they worked there six months. They were approved. Those people inspecting them thought they were good people, they gave them a licence. They expanded their premises. They got an increased license for expanded premises.

Their business was so good and this should please again the Minister of Agriculture, that they decided to open a second spot and they opened a second spot on Wellington, bigger and better. They brought in more help from—in fact, from France—and that should please the Minister of Lands and Forests—and they served many more eggs and they asked for a licence and they were told, "Oh, well, you are a new business. Your record up on College Street is meaningless. You have now got to be in business downtown on Wellington Street for six months."

The fact that these people were known well to the liquor licence people apparently made no difference at all. Now, what kind of nonsense is that? Why should not they have been able to open with their licence on the wall? They were known, and favourably known, to the provincial authorities and they were denied that privilege. Well, they got into more serious difficulty. They hired, through their own lawyer—and this is a fascinating thing, and I am not casting any particular aspersions, Mr. Speaker—through their own lawyer it was suggested that they retain another lawyer to act for them in connection with their application for their licence at the new Wellington Street premises. The other lawyer is a gentleman who, by coincidence—I am sure it is only coincidence—is well known in the Conservative Party, and he undertook to apply for the second licence.

Unfortunately, and by some peculiar oversight, he applied a few days too late to get before the closest hearing, before the Liquor Licence Board, which was a hearing which would determine whether they would have a right to apply at the hearing. You cannot apply directly. You have to apply for a right to apply and then you can go on. So they paid the initial fee and paid it in advance, having waited their six months, and then they had to be told by this second lawyer "We are sorry. You are just too late, and you are going to have to wait another"—what is it—"three months until the next set of hearings are held." In fact, another six months until the second set.

So, in fact here are responsible business people who run a good business; it is an attractive place; they run a business that has great appeal to the Minister of Agriculture; they are people whose native language is French, and that has a great appeal for the Minister of Lands and Forests; they have an awful lot of satisfied customers, and they just

cannot get a liquor licence in their new premises without going through all this damn falderal and nonsense.

And then the minister stands up and tells us, "I am happy to announce that new policies of the Liquor Licence Board will make it even possible under certain conditions for establishments to open with the licence on the wall." Does the minister have favourites? Does the board have favourites? Does the policy establish favourites?

Why do they open with the licence on the wall in Ontario Place, and why cannot l'Omelette open with the licence on the wall in its new premises? Why does a regular solicitor feel it is important that he not make the application but that he go to another lawyer, who unfortunately gets caught up in the time sequence; they wait for six months, they are a few days late on the second period, they wait a second six months and they still do not know if they are going to get a licence?

Now, is there any fairness, or is there any equity, or is there any sense in this fine-sounding statement that the minister makes; he is happy to announce that new policies will enable premises to open with the licence on the wall? Why do you pick on these people? Why are there some laws for some and different laws for other people? And if the minister means what he tried to convey in this good-sounding statement—parts of it sound very good—then why is it not true, in fact, in its application?

Why did all those—what have you got down in Ontario Place; six, eight liquor outlets?—why were all those people, most of them without previous experience, allowed to open with the licence on the wall when in this particular case which I have just cited to you, they were not able to open at all until they went through all of these delays, paid the extra legal fees and so on, and still were not able to open because somehow they got mixed up in some kind of a timesheet. Is there anything in the statute or in the minister's announcement that indicates there is going to be some fairness brought to our liquor legislation?

Again, Mr. Speaker, I wonder, when the minister talks about complying with all the rights legislation introduced with the Prime Minister—"In due course we are going to bring the statutes up to date and we are are going to have all sorts of revisions."

Surely, Mr. Speaker, we have faced the problem of having equitable liquor laws long

enough in this province, that the government should be brave enough and intelligent and sincere enough to bring before us liquor legislation that will guarantee to all of the persons in Ontario who feel that they would like the right to purvey liquor, that they can do so under the same conditions.

Surely, Mr. Speaker, we should have begun to look at the provision that requires Canadian citizenship of someone who is going to be granted the right to sell liquor. Does that mean the landed immigrant should be denied that right, no matter how industrious he might be, no matter what a good establishment he might run, or that he should take the obvious ploy—and I will not tell you who told me that this is recognized, but a very high official of this government told me the way to get around that one is to form a corporation. The corporation is an Ontario "citizen," but the person who controls the corporation need not be an Ontario "citizen." Now what kind of sense does that one make?

Then the minister says: "We are going to let you drink beside your swimming pools; we are going to have equal laws for people in apartments." And then he had this little gimmick about being six feet away from the edge. Are your inspectors going to be armed with six-foot rules so they can go and measure this thing?

If you are going to make regulations, if you are going to pass statutes, has not the time come when you should make them meaningful and reasonable and understandable and fair?

When you continue to surround them with ridiculous anomalies, then surely you must continue to be a laughingstock insofar as our liquor regulations are concerned.

And then, Mr. Speaker, finally, where the ministers says, and I am sure he says it for the benefit of some of his colleagues who inhabit the backbenches there and the rump over here, he says:

Mr. Speaker, I should like to make note of the fact that the local option provisions of the Act will continue to be in force, and citizens coming under those provisions will still have the right to determine these questions for their own community at the local level.

What a resounding phrase and what a resounding declaration of human rights. There it is. There it is. We have extended the privilege of licence in "dry areas," so called, in quotation marks; to golf clubs; the citizens have nothing—oh, here comes my friend. He is going to enjoy this. He is going to tell you about Owen Sound any minute and the

inequities of the liquor laws as they apply to Owen Sound.

Mr. J. Renwick (Riverdale): The member for Downsview can sit down now. He has held the floor until the member arrived.

Mr. Singer: Yes. I was just stalling until the member for Grey-Bruce (Mr. Sargent) came in.

Mr. I. Deans (Wentworth): I am glad you came in—

Mr. Singer: One must wonder how long, if you are going to have this brave new approach, you are going to continue the farce of local option?

Surely, Mr. Speaker, the theme of any reasonable amendment to The Liquor Licence Act and The Liquor Control Act must be fairness and equity throughout the province. Surely in this day and age, we have long surpassed the views and the ideas that originated this legislation that liquor and drinking were a bad thing, was frowned upon, was immoral was wrong, was iniquitous, and people who were going to have a drink were second rate citizens who should be frowned upon by the community.

In the local options divisions you continue to carry this nonsense on, when you can say local option will apply in Owen Sound—but not to golf clubs, even though they are in a dry area, where a privileged few who happen to be members can go and drink, if the clubs have been in business for six months or a year?

I do not know that they would be able to open with the license on the wall the way this statement says. Or who is going to be able to open with the license on the wall? But where is the equity in that? Has the time not come, Mr. Speaker, to have liquor laws here that say in effect if an establishment measures up to accepted standards and there has to be standards, they have to be clean, and they have to be run by reputable people and they have to be run so that the customer gets an honest break and is not taken advantage of and that sort of thing. Are they not the real tests?

When the minister comes to us now and says, "We are going to do this great thing, we are not going to insist that you buy food when you go into a dining lounge," but the bartender or the owner has to balance up this nonsense, and the bartender is then going to be able to say, "Bad day, you order, but you do not." It is not fair. The licence on the

wall when they open is not a fact but a fantasy, that some people get and some do not. He says that local option provisions are going to continue, where now in fact he has so nibbled away at whatever principle originally lay behind local option—and maybe it had validity some day—it no longer has any validity. Mr. Speaker, one has to wonder really about the sincerity that, in fact, lies in the theory that motivates this Act.

The minister, as did all his colleagues, talks about the drinking age and “we are considering lowering it, together with a complete lowering of the age of majority.” That was the excuse that the government used when they refused to accept the recommendation to lower the voting age. For some peculiar reason, that had to tie in with the age of majority.

What real relationship lowering the drinking age to coincide with the age of majority has, I do not know. Does it make any particular sense that a person should not be able to drink until he has the right to make a contract? Does that make any sense? Or does it make much more sense to listen to the words of one of the chiefs of police who was at the police chiefs’ convention just a few days ago and who said one of the most ludicrous laws that they have in the statute books in Ontario is that the drinking age must be 21, and that anyone who drinks under the age of 21 has committed an offence?

That gentleman was talking from his own knowledge as a responsible chief of police. He said, “In my community, I have great difficulty in trying to enforce that kind of law. It makes no sense, because the mores in my community are such that people just do not believe that the age of 21 as the minimum age at which you can have a drink any longer makes any sense.”

Why does the minister take refuge in the thought, and why do his colleagues take refuge in the thought, that all of these things have to be done together? If you are old enough to fight a war, surely you can be old enough to vote? If you are old enough to do a variety of things, surely you might be old enough at 18 to have a drink?

It really does not have any connection whatsoever, with all the complicated things that the Attorney General is going to have to iron out some day about how old you have to be to make a contract, how old you have to be to bind yourself for buying necessities, how old you have to be to make a will, how

old you have to be to make a statutory declaration. The relationship of those things is just meaningless.

What I say, Mr. Speaker, very briefly is this. What is in this first statute, Bill 71, An Act to amend The Liquor Licence Act, is, by and large, a bunch of hypocrisy. It moves us a small, hesitating step forward, but the government continues to surround itself with meaningless phrases such as those put forward by the minister on Monday of last week. The most typical one was: “I am happy to announce that new policies of the board will make it even possible that new establishments can open with the licence on the wall.”

Mr. Speaker, we will support this, as hypocritical as it is, because it is a slight and a halting step forward. Our plea to the government is, for goodness sake, for once in its long 28 years, face up to reality and be frank and honest with the people of Ontario, because neither in its legislation, nor in the four-page statement that the minister made was that kind of approach even contemplated. The government tries to be all things to everybody and ends up by being nothing to nobody.

Mr. J. Renwick: Mr. Speaker, I have only a very brief comment on the bill. I am concerned about the very inadequate way in which the minister has amended the provisions relating to disclosure to the board about shareholding interests in corporations when transfers or other material changes take place.

I think that it is absolutely essential that the minister take the benefit of the elaborate provisions, adapting them for the purposes of The Liquor Control Act, that are in The Income Tax Act of Canada, The Corporations Tax Act, in The Securities Act, related to the way in which, for purposes of those statutes, that is, for tax purposes and for disclosure of security purposes, they draw the net so wide that they know exactly, if compliance is made with the Act, the web or the network of the companies and the shareholders and the affiliates and the subsidiaries and parent companies and grandparent companies and the whole network of companies, with which any particular company or any particular shareholder is involved.

They are very elaborate provisions, but they are effective. They have been drafted over the years to make certain that the tax people get full disclosure of corporate networks and shareholder interest in other

corporations in the extent of those interests, to make certain that they gather in the tax which is payable legitimately. The Securities Act has these elaborate provisions, to make certain that there are no hidden companies or persons with shareholding interests, which should be making adequate disclosure for persons who are going to invest.

I would say to the minister it is equally important that The Liquor Control Board have full and complete knowledge, for their purposes—not for public purposes, but for their purposes—because of the high value that is put on any monopoly situation or any licensing situation, that is, a situation where you are dependent upon a grant from a board for a licence—to make absolutely certain that the board is aware of all of the interconnections.

The minister knows very well that it is absolutely essential that there be no intrusion into the liquor business through the hotel system, and through the liquor licensing outlets of the Province of Ontario, of any control by persons who should not have control or an interest or who, through a combination of interests in various establishments, might add up to an effective interest in a particular establishment or a particular series of establishments.

I am not going to belabour the point. I think the minister understands it. I am simply going to say to him, I hope that next year, they will come back with an adequate amendment to make certain that there is an obligation on any person, or any shareholder of any company, and any company that has a liquor licence or a company in which a particular individual has an interest which has a liquor licence, that the board have full and complete disclosure of the network of the interrelations and interconnections between any web of companies and their shareholders, because only in that way could I be satisfied that we are not leaving it wide open to the possibility that we will wake up some day and find that there is a network of interrelated companies and activities going on in the province which is controlled by persons whom we do not want it to be controlled by.

I think the examples which I have given will give a clear lead to the kind of provisions that I am thinking about. I am quite certain that the board, with the assistance of the Attorney General's department, can draft the kind of clauses to which I refer. Only in that way will the board get, in an obligatory way, full and plain and true dis-

closure of all of those intercorporate and intershareholder relationships.

Mr. E. Sargent (Grey-Bruce): Mr. Speaker, my contribution to this, and we have said it many times before, but the point of fact is that this government, in my exposure to it over the past eight years, has used this Act as a façade along the whole piece for political purposes. It has been well established by many people in the hotel business that unless one pays the right lawyer in Toronto the proper sum of money, he cannot get a licence.

Mr. H. Worton (Wellington South): That is right.

Mr. Sargent: It is no secret that the government used this department over the years as a tool for the party.

The amendments to the Act under the disclosure—"each director of a corporation," and so forth, are a joke, because going back apiece, look at the hon. member for Grey-South (Mr. Winkler). The Talisman is in his riding. It is in the Beaver Valley.

Hon. E. A. Winkler (Minister of Revenue): Great place.

Mr. Sargent: Pardon?

Hon. Mr. Winkler: Great place.

Mr. Sargent: At the time that this licence was issued—

Hon. Mr. Winkler: I said it was a great place, the Talisman.

Mr. Sargent: It is a credit to the area; it is an excellent place. It is owned by Labatt's Brewery; they are the ones who financed the thing, which is illegal to start with. But the time they got the licence—to show the way this minister runs things, though I may have a high regard for him personally, I think the whole operation of this department stinks—there is no doubt about that—in the minds of many thousands of people in the catering business. But, as I say, this whole thing is a façade—the minister tries to placate the people—that he is doing a job for them.

At the time the people had a vote in that township, they turned it down—300 were opposed to it and 17 for it—but three months later, regardless of the vote of the people, they got a licence to operate this Talisman operation.

Mr. Worton: They changed the rules.

Mr. Deans: That could not happen in Owen Sound, could it?

Mr. Sargent: The point that I am making is that, regardless of the vote of the people, they were given a licence, and the sad fact was that a director of Labatt's was the promoter of Talisman. The Act said that he could have no connection, directly or indirectly, with a brewery or a distillery. It was a flagrant violation of everything in the laws of our province; they got a licence. The law said they had to be in business for three years before they could get a licence, but three months after the vote they got a licence for this Talisman club. The second contravention was that one of the owners was a director of Labatt's Brewery.

So the whole mess we have in this department is a joke in so far as we are concerned in this business. I am concerned with the hotel business; and if the people catering to the public in this field have to conform to a licence regulation under this Act we have here, the costs will be almost prohibitive. We almost have to tear down any existing building we have now and put up a new building to conform to the fire regulations. It makes it almost impossible to conform.

Before I leave the Talisman situation, when I brought this up in the House the Prime Minister declared he knew nothing about it. But the very same morning that he denied knowing anything about it, there was a picture of the Premier with his family in the *Globe and Mail* with the owner visiting as a guest of this Talisman lodge. That was in the morning issue of the *Globe and Mail*. It was quoted in the first edition. But to show the connection that the party had with the *Globe and Mail*, they pulled the picture in the second edition of the *Globe and Mail*.

So under this department, we have the violation of every section of the Act in the granting of that licence. It is well known across the province that if one pays the right Tory lawyer enough money one can get a licence to operate a licensed operation. But what concerns me more than anything else—we have to operate in the resort areas in the peninsula; this is our stock in trade with people—is getting the Americans to the Bruce Peninsula. It is the greatest playground for the Americans in our country; they go up there and cannot get a licence. Now this year we brought up the resort area licences. The minister can tell me how many licences have been issued. I only know of one that has been issued. If he knows of more than that, I would like to know about it.

Every time I ask him he says he will let me know, but he never lets me know. But we have to operate in our area under the local option regulations; so we use banquet permits and the inspectors are there harassing our people to no end. A case in point: A few weeks ago St. Mary's Catholic Church was having a big dance with a banquet permit, and the inspector walked in and inspected the facilities; they did not measure up to the standards to get that banquet permit so they had to call off the dance and announce on the radio that the dance had been called off because the banquet permits were not being allowed by the government.

What concerns me is that a church does not conform to our laws but the pig pens operating in Toronto for beer drinking are allowed to go on. That has gone on for years; since we were kids. They have been allowed to operate pig pens, but our churches could not conform to a banquet licence. So we are fed up to the teeth with everything this minister stands for as for the way the public is being handled.

I would just like to say to the minister that the whole operation of his department is a joke. We have cars that will go close to 100 miles an hour and in two minutes they can be in four or five wet and dry areas in my area. But it is a patchwork quilt of wet and dry and wet and dry. Who are we trying to kid? It is stupidity; the whole thing is idiotic.

I would like to suggest to the minister that if he is playing for votes, do away with the local option and issue the licences, as my colleague from Downsview says, on a merit basis. Give the hotel and restaurant industry a fair shake, because they are one of the largest contributors of taxes to this government, but they have been given a bad deal all down through the years by this department.

Mr. Speaker: The hon. member for Wentworth.

Mr. Deans: Mr. Speaker, I want to make only a very brief comment. I would like to ask the minister if he could explain to the House the comments, the lengthy comments, of the member for Downsview and the comments of the other members, what possible rationale there is behind the position that he indicated in the House, on page 2972 of Hansard, whereby the proprietor of a licensed establishment will have to balance his books at the end of the month to ensure that there is not more liquor sold than there is food?

The member for Downsview raised it and I want to reinforce the point. I think that we are asking for a lot of juggling of books, quite frankly. We are creating an artificial situation that is not justified. Either it is possible to purchase liquor without food or it is not possible; and it is going to be extremely difficult for any manager or any proprietor to sit down—to begin with you are making more work for this person.

Secondly, you are creating a situation wherein the last week of the month he is going to be faced with a situation of refusing to sell liquor, refusing to sell it. Now this just does not make any sense. You are going to have them sitting down over the last week-end and juggling their books in order to meet your ridiculous requirements.

Now if, as you say, we have become a society accustomed to eating out, and if as you point out—and I quote your own statement—where one wishes to join friends after having eaten elsewhere, or in the late evening wishes to go to a dining room where entertainment is being given—those were your words—if a person wishes to do that and does not want to eat, it is perfectly legitimate for him to ask to be served a drink and in fact to demand to be served a drink. Now what? He goes in there and says, "This is a licensed establishment. You have an obligation to serve me as long as I am properly dressed and acting properly," and what happens if the manager says, "I cannot serve you because I have not sold enough food this month"?

Mr. Singer: Buy a salad.

Mr. Deans: "Either buy something"—not even a salad, because it must measure up in terms of receipts—"You either buy some food or you cannot eat here" and the man says, "The law says I can drink here whether or not I buy food." Then what? What kind of a situation are you setting up? I suggest to the minister that in actual fact it is discriminatory, it is going to create an artificial situation that really is not justified.

Either we are going to have a law that is consistent, where a person is entitled to enter what was previously a dining lounge, dining room, and to order a drink without eating, or we are not going to have that law. But we surely are not going to put the management through all the contortions of making books balance where it is impossible to make books balance?

Mr. Sargent: If the management does do it, it is crazy.

Mr. Deans: You have not freed it at all. Any sensible manager will continue to refuse to serve drinks unless food is ordered. He is left with no other alternative. And I say to you if what you say you want to do—

Mr. Sargent: You will never be able to enforce it.

Mr. Deans: That is true. If you say what you want to do is what you really want to do, then you are not going to try and enforce a silly regulation like that. If, for example, you yourself—I recognize you perhaps do not go out and drink often, but assuming that on one of those infrequent excursions you were to go in and order a drink, and all of us were to arrive at that same place on that same night and do that same thing, that manager or proprietor would have to sell a heck of a lot of food the next day to make up for the bill.

I think you are creating a situation that really will become a nightmare. A situation in which it will be virtually impossible to police, difficult to live with and in fact is rather meaningless. I would ask the minister if he could explain to me how he intends to make this particular section—it is not a section of the bill in actual fact, it is a regulation, I suspect—how he intends to make such a regulation enforceable, and whether or not he does not feel, in thinking it over, that perhaps it would be unworkable.

Mr. Speaker: The hon. member for Rainy River.

Mr. T. P. Reid (Rainy River): Thank you, Mr. Speaker, I too will try to be brief.

In speaking to this bill and perhaps the one that follows it, I must echo the sentiments expressed by the last speaker and the speakers before. This bill is symptomatic really of the rubber sandwich syndrome that pervades this government in its approach to a rational liquor system in Ontario.

I recall shortly after coming to Toronto as an elected member that some of my colleagues took me out after a night sitting and we went to a night club where one was required to purchase food with one's meal. Having missed supper for some reason that night, the drink arrived and also the plate of rubber cheese sandwiches. Being a new boy in town and from the country and also being very hungry I reached over and grabbed one of these cheese sandwiches, but,

I might say, to the horror of the waiter. "You cannot do that."

I said, "Why not? I am hungry, I want a sandwich."

He said, "That one is two weeks old, we need that. We use it over and over again."

Apparently I had been the first one in his experience, Mr. Speaker, to ever have a try at one of those rubber sandwiches.

Mr. Speaker, as I say, this is symptomatic of the ridiculous liquor laws that exist in this province and these bills I think are also an example of the rather halting and stultified approach of this government to liberalizing the liquor laws. A month or two ago the Provincial Secretary gave approval to the various restaurateurs around the province to serve beer, wine and hard liquor in outdoor restaurants. The mall in downtown Toronto being the example that comes immediately to mind. Strangely enough, we did not find that there were people falling off their chairs, into the streets and being run over by automobiles as was obviously expected by the government. These things did not happen.

Surely, Mr. Speaker, we have arrived at the times in our development, where there are a large number of new Canadians in our province who are used to a more liberal atmosphere, to a more neighbourly atmosphere, in their drinking habits in their own countries than they find in the Province of Ontario. Surely it is time that we brought some of these habits to the Province of Ontario?

As I say, Mr. Speaker, there is more left out of this bill and the one that follows, than is in it. There are a couple of things that come to my mind and I would like to have the minister clarify them for me. One is that in my reading of the bill I do not find anywhere where it says that present beer parlours, if that is the connotation—establishments where only beer and wine are presently being served—are now able to serve hard liquor. This is not in the bill I take it? The minister shakes his head. Well, surely this is something that the minister should give consideration to? If an establishment can serve beer and wine, if they are prepared to—

Mr. Speaker: The hon. member should not attempt to discuss aspects of The Liquor Licence or Liquor Control Acts which are not in this amending bill. He must stick to items in the bill.

Mr. T. P. Reid: I was just making the point, Mr. Speaker, that more is left out than is in actual fact in this bill.

Mr. R. F. Ruston (Essex-Kent): If we only discussed the bill, we would not be able to talk at all.

Mr. T. P. Reid: You remind me, Mr. Speaker, of the editorial in the Globe and Mail today about this very point that you raise, really, and which I am trying to make to you, and which apparently you have caught, and that is there is very little new in this bill itself. I was trying to point out, by way of explanation, some of the things that should really come under the bill, such as that.

The other thing, Mr. Speaker, is that liquor agencies, store agencies, apart from the normal liquor outlets in this province, are another thing that should be revised by the minister's—

Mr. Speaker: The hon. member cannot discuss those matters at this time. It is not part of the bill before us.

Mr. Sargent: He may want to put them in the bill, though. He might amend it.

Mr. Speaker: Then he may introduce his own bill.

Mr. T. P. Reid: Well, I am not sure that this is really the member's own bill. If you are going to constrict me on that, Mr. Speaker, I would just like to really say that I think it is about time the government accepted the fact that liquor is here to stay, that people are going to want to enjoy their liquor with or without food, and that it is time to treat adults as adults in regard to liquor.

The liquor laws and regulations in the Province of Ontario really spell out one thing, particularly to visitors to the province, and that is, Mr. Speaker, you can drink in Ontario, but we are darned if we are going to let you enjoy it.

Surely this attitude has got to be changed. The government has got to review the whole aspect of the liquor laws and not just the legislation, but the regulations in particular and come up with something much better than this, as has been pointed out by the deputy leader of the Liberal Party. We are going to support this bill because it is at least a step in the right direction. But surely the questions that have been raised by various members have to be answered by this minister, and perhaps by way of amendment

some of the shortcomings of the bill that we have pointed out will be rectified.

Mr. Speaker: Any other hon. member wish to enter the debate? The hon. member for Essex Kent.

Mr. Ruston: Well, Mr. Speaker, what I wanted to add was just a question or two, and in the last month or so there has been some vote taking in some areas as to—and one of the votes taken that I am aware of is voting in favour, or voting on the issue of liquor served without meals.

Now, in effect, you are changing this to allow them to serve it in dining rooms without meals. Could you not have in the past month informed these places that were making their vote up that you were bringing in this new legislation?

In other words, what has happened is that some cities—I know of one for sure, that had a vote recently and had this very issue on the ballot—and now you have changed the regulations so that in fact the vote was useless. Now, that is really all, and maybe the minister when he gives his reply, can give some answer to that?

Mr. Speaker: Any other members wish to enter the debate? If not, the hon. minister.

Mr. Sargent: Mr. Speaker, may I please make an amendment to this?

Mr. Speaker: Not at this particular time, no. The hon. member may speak once only on second reading.

Mr. Sargent: No, I do not wish to speak. I wish to make an amendment.

Mr. Speaker: No. The hon. minister will reply now and an amendment may be made in committee.

Hon. J. Yaremko (Provincial Secretary): Mr. Speaker, it would appear that the statement I made on June 21 made everybody happy except the members of the Opposition. I was waiting for a cartoon showing Dooley—one of my favourite characters, but he has not appeared as yet.

I want to direct some of my remarks to the member for Downsview who really, as leadoff speaker, touched on many of the points that the other members reiterated.

In my remarks, I made mention of the fact that I would be touching on the bills, the regulations and their application. As everyone knows, the application of statutes and regulations can often be the important factor,

as can the interpretation which is placed upon them. The present chairman, Mr. Mackey, has indicated that it would be his intent in the future to issue bulletins from time to time in order that those who are in the business might be apprised of how the statutes and regulations are actually being applied.

The member for Downsview did touch on what I had indicated was a fundamental change in the approach. That is, the relationship of the aspect of the liquor with food in dining lounges. Now, hon. members should know that under The Liquor Licence Act there is a specific licence which is known as a lounge licence, under which liquor may be sold without food. That is the licence which is applicable in that instance.

In a dining lounge heretofore, liquor had to be served with a meal. It was a completely distinct type of licence, but that situation, as I indicated, led to some unrealistic situations, of which I gave some samples and they have been repeated here this evening. We have come up with what we believe is a satisfactory solution in that this meets the requirements of those in the business. The representations from the Canadian Restaurant Association—

Interjections by hon. members.

Mr. Speaker: Order, order!

Hon. Mr. Yaremko: —indicated that a balance, some proportion, would meet their requirements.

Mr. Sargent: Why does the minister not grow up?

Hon. Mr. Yaremko: There should be no difficulty in meeting the 50-50 requirement because generally, throughout the province, the ratio now is 70-30. Seventy per cent of the sales are of food and 30 per cent are of liquor.

Mr. Deans: What is the purpose of it?

Hon. Mr. Yaremko: The purpose is that we do not propose, as I indicated in my statement, to convert many hundreds of dining lounges into lounges, that is, into bars.

Mr. D. Jackson (Timiskaming): But, as a matter of fact, the minister is doing that.

Mr. Deans: What is going to happen to the proprietor who cannot meet the requirements?

Hon. Mr. Yaremko: We do not anticipate that any proprietor should have any difficulty

at all because if the present ratio is 70 per cent food and 30 per cent liquor, there should be no difficulty. In fact, we have gone a long way, I think, in making it very feasible for any establishment to meet this requirement.

Mr. Sargent: The minister will find out how feasible it is. He will find out.

Hon. Mr. Yaremko: It is not the intention of the government to permit any operator of a dining lounge to turn that dining lounge into a bar, a lounge.

Mr. Sargent: Why not? He is selling a product licensed by the government.

Hon. Mr. Yaremko: Because we do not intend to have across the province a flood of bars, which is exactly—

Mr. Sargent: Well, we have anyway.

Hon. Mr. Yaremko: Not really, because they are dining lounges at the present time.

Mr. Deans: Except that you can drink without eating.

Mr. Sargent: Who are you trying to kid?

Hon. Mr. Yaremko: And there is no doubt in my mind that this is a satisfactory solution, and of course—

Mr. Sargent: The minister will find out; try and enforce that and see what happens.

Hon. Mr. Yaremko: Well, the enforcement will be there, because we do not look forward to any abuse of this provision.

Mr. Sargent: It will, eh?

Mr. Deans: They will not intentionally oppose it.

Mr. T. P. Reid: That is the problem. The minister puts them in a position where they might have to.

Hon. Mr. Yaremko: No, our experience has shown—and it is regrettable that we have to pass regulations—

Mr. Ruston: Take it out of the hands of the Conservative Party.

Hon. Mr. Yaremko: —pass regulations which include everybody. And the hon. member would have a great faith in all of humanity in this if he did not think that in these situations there would not be abuse by some.

Mr. Deans: I just do not think they intend to oppose it.

Hon. Mr. Yaremko: Well, in any event, that is a very fundamental change and it will—

Mr. T. P. Reid: From 30 to 50 per cent?

Mr. Sargent: It was not the minister's idea. Whose idea was it?

Mr. Speaker: Order.

Hon. Mr. Yaremko: Well, I will tell you—the idea is completely acceptable to the CRA who were—

Mr. Sargent: It was not the minister's idea.

Mr. Speaker: Order.

Hon. Mr. Yaremko: —thinking on the same lines. It so happens that the ideas came into being coincidentally. The board and myself were thinking along these terms at the same time as the restaurant association—and my friend from Haldimand-Norfolk (Mr. Allan) proceeds to tell me, "You cannot help but admire the wisdom of a man who agrees with you."

Mr. Sargent: Who said they do not agree with you?

Mr. T. P. Reid: Whoever agreed with you?

Hon. Mr. Yaremko: Now, the second fundamental change—and again, the member for Downsview touched upon it—was the matter of the hearings. I do not want to go into the details of it. But the chairman of the board had already instituted the procedure of not requiring anybody who had experience to be in business for six months and all I did was wrap up the full picture. I think that all of the hon. members are aware of the fact, that the board has had two rounds of special hearings across the province—

Mr. Sargent: Not three years now.

Hon. Mr. Yaremko: —in the 14 licensing districts for just a matter of years. Now, they will be dealing with these matters on a continuous basis, preliminary hearings on a continuous basis, and special hearings as needed. Now, I think the hon. member for Riverdale would be familiar with the procedures under The Highway Transport Board Act, where there are applications for PCV licences. There is a procedure set out in which applications are made and there is a procedure for objections to be filed. If there are objections filed, there are hearings held

and if there are no objections filed, then the matter is dealt with by the board in a routine way.

Mr. Worton: There is a six-month period, is there not?

Hon. Mr. Yaremko: No, there is no six-month period at all. There will be the preliminary application and then there will be the leave to apply. And these will be held on a continuous basis, not twice a year, not in the spring and fall, as has been in the past. There will be hearings held all year round. Wherever there is an objection and I indicated this; there will be a special hearing held, in order to give the opportunity for the people who object, to be heard—

Mr. Sargent: Where are the hearings held?

Hon. Mr. Yaremko: —and if there are no objections, the matter could be dealt with very summarily by the board either locally, or at head office. But this will be on a continuous basis and I am not going to go into details.

There will be an application, as I indicated, dealing with the facts as of the time of the application. Once the application is filed, the procedures of clearing and checking will begin right at that point. There will be the leave granted to apply and if there are no objections, those are the circumstances under which I envisage that the person may open up with something on the wall, because he could apply with his plans, with his management—and the management is spelled out, that is, it must be somebody who has either had experience in the hospitality business or has engaged that kind of management—and the financing. And you could go with this proposition to the board and the board will deal with the matter right there and then.

Mr. Singer: Why would some get it now and others not?

Hon. Mr. Yaremko: There is no such thing as some getting now and some not.

Mr. Worton: Oh, there is.

Mr. Singer: Oh, there is. I gave you one case and I can give you more.

Mr. B. Newman (Windsor-Walkerville): George's Steak House in Windsor.

Hon. Mr. Yaremko: The hon. member has indicated to me about Ontario Place.

Mr. Singer: I do not object to their getting it. It is their people—

Hon. Mr. Yaremko: Now, I am not going to apologize for Ontario Place. And if the hon. member says that most of the people have not had experience in the food, he is completely mistaken, because I have been there and if those people have not got experience in the food, they certainly learn awful fast, because you can get some of the finest food service anywhere in town down at the island.

Interjections by hon. members.

Mr. Speaker: Order!

Hon. Mr. Yaremko: I am not going to apologize for the action of the board on the Ontario Place. That was done. It has met with the approval of all of the people who have gone down there.

Mr. T. P. Reid: How about the one that is downstairs?

Mr. Singer: What about other people?

Mr. Speaker: Order!

Hon. Mr. Yaremko: I have explained to the hon. member that the new procedures will be on a continuous basis and everybody will be dealt with as their applications come in.

Mr. Singer: Would the hon. minister answer a question for me arising out of his statement? If this is his present indication, why did he couch it in such careful language as reported on page 2974, when he says: "I am happy to announce the new policies of the Liquor Licence Board will make it even possible, under certain conditions, for establishments to open with licences on the wall." Why does he not say that the same conditions will apply to everybody and not make it "even possible"?

Hon. Mr. Yaremko: There are conditions which could very easily be beyond the control of the board. There are time factors involved. There are all of the difficulties which arise in the administration of any business during the course of a 365-day period, and I certainly was not going to commit myself to say that somebody was going to apply today and in the X number of days he was going to get a licence.

Mr. Speaker: Order!

Hon. Mr. Yaremko: Except that the practice and the procedures of this coming year and the periods which will follow thereafter will be the proof.

Now the board has to get geared up for this; they are in the process of already doing it, and I envisage that they will have to have a much greater administrative machinery and structure than they have now in order to be able to process these applications.

Mr. Singer: Just words.

Hon. Mr. Yaremko: Well, be that as it may—

Mr. Sargent: I think you are giving us a snow job.

Hon. Mr. Yaremko: —I am not going to go into the details of the licensing applications of the restaurant l'Omelette. I do know this, at the time that this matter was raised on a different occasion, I checked into the matter and there was a perfectly reasonable answer for what had taken place.

Mr. Singer: Well, why do you not give it to us?

Hon. Mr. Yaremko: I have not got it here with me. I checked the matter out. All I can say is this, that I did have lunch on College Street, some two weeks ago—

Mr. Singer: It is a delightful place is it not?

Hon. Mr. Yaremko: It is a delightful place. Mr. Terrier, I think, is the manager, and a very presentable proprietor and I may say that whatever the tongue-in-cheek writers and the members of the opposition may think, Mr. Terrier was delighted with what had taken place, even before this package deal was announced.

Mr. Singer: He was delighted that he had to wait a year to get his licence on Wellington Street? Oh, come on.

Hon. Mr. Yaremko: He was delighted that last Saturday night—I think it was last Saturday night, when it was quite warm and humid—that the patrons, most of his patrons, were able to come from indoors, outdoors.

Mr. Singer: That is on College Street, what about Wellington Street?

Hon. Mr. Yaremko: I am not doing a commercial for L'Omelette.

Mr. Speaker: Order!

Mr. S. J. Randall (Don Mills): Stick with College Street.

Mr. Singer: Some man.

Hon. Mr. Yaremko: Mr. Terrier will make out, or has already made out, his application and, meeting all the requirements, he will get a licence.

Mr. Sargent: Tell us about the Talisman case.

Mr. Randall: Tell him to get a good lawyer.

Hon. Mr. Yaremko: I may say this, with respect to the swimming pool and the six foot requirement—I forget which member made reference to it. I may say this, the six feet is a requirement of the health authorities, who, in their wisdom, passed judgement and I do not quarrel with that. As a matter of fact—

Mr. T. P. Reid: What is the rationale for it?

Mr. Speaker: Order!

Hon. Mr. Yaremko: The rationale? Glass within six feet of the swimming pool.

Mr. Speaker: Order! I must point out that adjournment will take place in two minutes.

Mr. T. P. Reid: You are just trying to cheer us up.

Hon. Mr. Yaremko: I close this. I have taken note of the remarks of the member for Riverdale on disclosure, and indicate to him that they will be reconsidered I assure him that.

An hon. member: Good.

Mr. T. P. Reid: Because he is finished.

Motion agreed to; second reading of the bill.

Mr. Speaker: Shall this bill be ordered for third reading?

Mr. T. P. Reid: No.

Mr. Singer: No.

Mr. T. P. Reid: Committee.

Mr. Singer: Committee.

Mr. Speaker: Will the hon. minister indicate which committee?

Hon. Mr. Yaremko: Committee of the Whole.

Mr. Speaker: Committee of the Whole.

Agreed to.

LIQUOR CONTROL ACT

Hon. Mr. Yaremko moves second reading of Bill 72, An Act to amend The Liquor Control Act.

Mr. Singer: I thought you said it was 10.30?

Mr. Speaker: I regret that I cannot accept that motion at this particular time. The rules of procedure call for adjournment at 10.30.

Mr. T. P. Reid: Oh, the Provincial Secretary is fuzzy. Too much wine with his supper. He cannot see the clock.

Mr. Deans: That is the clock we start by.

Hon. A. A. Wishart (Minister of Financial and Commercial Affairs): Mr. Speaker, tomorrow I believe we will continue the budget debate. I might afford the hon. minister the chance to give second reading to the bill he was trying to move a moment ago, however.

Mr. M. Shulman (High Park): Mr. Speaker, before we move the adjournment of the House, is it the intention to have the Attorney General (Mr. A. F. Lawrence) call second reading of the two other bills standing in his name?

Hon. Mr. Wishart: Not tomorrow, no.

Mr. Shulman: Not tomorrow?

Hon. Mr. Wishart moves the adjournment of the House.

Motion agreed to.

The House adjourned at 10.30 o'clock, p.m.

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Friday, June 25, 1971



ONTARIO

Legislature of Ontario Debates

OFFICIAL REPORT — DAILY EDITION

Fourth Session of the Twenty-Eighth Legislature

Friday, June 25, 1971

Speaker: Honourable Fred McIntosh Cass, Q.C.

Clerk: Roderick Lewis, Q.C.

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Transactions of the American Society of Civil Engineers

Volume 10, Part 1, 1901-1902

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1901-1902, Part 1

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LEGISLATIVE ASSEMBLY OF ONTARIO

FRIDAY, JUNE 25, 1971

The House met at 10 o'clock, a.m.

Prayers.

An hon. member: Where is all the minister's help?

Mr. M. Gaunt (Huron-Bruce): Two out of 25.

Hon. A. A. Wishart (Minister of Financial and Commercial Affairs): The cabinet has been sitting since 8:30 this morning; all the ministers are there.

Mr. T. P. Raid (Rainy River): Have they just wakened them up?

An hon. member: They are just taping the wounds.

Mr. Speaker: Perhaps the hon. member for Rainy River will allow me to introduce our guests this morning.

In the east gallery we have students from Woodman Drive Public School in Brantford and from Meadowvale Public School in Highland Creek; in the west gallery, now or later, from Corunna Public School in Corunna and Davenport Public School in Aylmer; and in both galleries from Lansdowne Senior Public School in Brantford. Later this morning we will have students from King George VI Public School in Chatham.

Statements by the ministry.

Mr. R. F. Nixon (Leader of the Opposition): Mr. Speaker, just before you call questions, I would like to ask you, on a point of order, sir, for your advice and through you to the House leader on a problem that is becoming more severe as the load of legislation before us increases.

As the House leader and Mr. Speaker know, there has now been an additional substantial department put before the estimates committee, The Department of Trade and Development, and it is increasingly difficult to attend the estimates discussions as well as take part in the debate on the legislation. In my view, Mr. Speaker, the legislation should have priority, and when the House

leader decides with his colleagues that the formal debates on legislation will be taking place, we on this side feel that the estimates discussion should be suspended during that period.

I would like to know the House leader's view on this. We feel that it is quite an important matter and that we should not, let us say, be diluting our efforts to the extent that we have been during the last few days. Perhaps, as the body of legislation seems to grow day by day, there will be an opportunity for the House leader to arrange the business so that when we are discussing second readings particularly, no other activity is scheduled.

An hon. member: Why do we not approve it?

Mr. D. M. Deacon (York Centre): Mr. Speaker, may I speak on the same point?

Mr. S. Lewis (Scarborough West): Tell the member in a minute!

Mr. Deacon: Last night, Mr. Speaker, a bill to amend The Securities Act came up at the same time as consideration of The Department of Transportation and Communications estimates, for which I have responsibility. I had spent considerable time discussing with representatives of the securities industry some suggestions they had for amendments to that bill in the Committee of the Whole House. Unfortunately the bill was slipped through very quickly before I had a chance to move away from my other responsibilities and get up to the House.

I really feel upset. Maybe the government would not have considered these observations as comments of value, but there are a lot of them and I am upset that the legislation went through without my having had the opportunity to comment on it.

Hon. A. F. Lawrence (Minister of Justice): Oh, come on!

Mr. Nixon: What is the rush?

Hon. Mr. Wishart: Mr. Speaker, I would appreciate the problem and the difficulties

which the hon. members have in doing committee work and being in the House to consider legislation. Certainly, one cannot be in two places at one time.

I would be glad to do anything possible to work out an arrangement that would facilitate attention to the legislation here. But I do not think that it is possible to say, at this moment, that we can cancel or leave out of account the work of the committee while we are carrying on the business of the House. I will be glad to see what may be done, but I just do not know that I can undertake to ask the committee not to sit.

Mr. D. C. MacDonald (York South): Why the mad rush? We have been sitting only three months.

Hon. Mr. Wishart: Oh, I do not think so.

Mr. Nixon: Between leadership and election.

An hon. member: Was that last night?

Mr. MacDonald: Yes, public business.

Mr. Lewis: I tell the minister that there is not all that much legislation that is being introduced.

Hon. Mr. Wishart: And there is not all that much work left in committee, either.

Mr. J. Renwick (Riverdale): They dumped a great load on us yesterday.

Hon. Mr. Wishart: Committee work really should come to a close without too much further time being spent, I would think. What I will undertake to do—I can undertake to do it at the moment—Mr. Speaker, is consider the matter and try to give some relief, if that is possible. I can inform the House on this perhaps at the first of the week.

Mr. Lewis: Mr. Speaker, on a belated point of order, if I may, sir, by referring Trade and Development to committee, we are left with time in the House, assuming that there are no debates on concurrence at all, with the number of hours sufficient—probably in the most optimistic way—to deal only with the Attorney General and Treasury. On that concurrent basis in the committees, given the time that things quite appropriately take, it may be that we would never reach Trade and Development, that the minister's estimates might never be dealt with. Is it the intention of the government

to clean up all the estimates before an adjournment is called?

Hon. Mr. Wishart: That is the objective which we have and which I think is very desirable. All the members of the House will be anxious to see the estimates of all departments considered before we rise.

Hon. W. G. Davis (Prime Minister): Mr. Speaker, with the concurrence of the members opposite I have a short statement that perhaps they will be interested in.

Mr. Speaker: Yes, we are still in the order of statements by the ministry.

Hon. Mr. Davis: It is with great pleasure that I announce, Mr. Speaker, the creation of Ontario's second primitive park.

As the hon. members know we have 108 provincial parks throughout the province. Many of these include large tracts of ruggedly beautiful forest and water areas in their natural state. However, the only area designated to date as a primitive park has been Polar Bear Provincial Park some 9,300 square miles of the Hudson Bay lowlands country along the shores of Hudson and James Bays.

Mr. V. M. Singer (Downsview): Is this the Spadina Expressway park?

Hon. Mr. Davis: Mr. Speaker, I would think the member for Downsview really is the last one! His poor leader sits there shaking his head day by day; he gets advice from the member for Downsview; advice from the member for Scarborough East (Mr. T. Reid); advice from the new candidate from Forest Hill. You know, if the Leader of the Opposition thinks, "If I am elected I am going to build the Spadina," why does he not say so? I mean, I would say to the member for Scarborough East if that is the policy of the Liberal Party, he had better look for a new home. However, if I can revert to parks—

An hon. member: Or a different loony bin.

Interjections by hon. members.

Hon. Mr. Davis: Where will he go?

Hon. A. F. Lawrence: There is treatment today for schizophrenia.

Hon. Mr. Davis: I really did not mean to interrupt, but I was asked by the member for Downsview a question about this being Spadina so I thought that I had to give an answer.

I wish to announce today that the government has accepted the recommendations of The Department of Lands and Forests and the Ontario Integration Board to redesignate Killarney Provincial Park as a primitive park.

Under the classification system for provincial parks, a primitive designation means that the area is left in its natural state. No permanent buildings are allowed. No mechanical means of transport, such as motor boats or snowmobiles, are permitted. There are neither organized camp grounds nor road access. Equally important, all utilization of natural resources is prohibited. Therefore the reclassification of Killarney will mean that we now have a 140-square-mile area in a wilderness setting easily accessible to the majority of the people of Ontario, providing a combination of natural features of high quality for a recreational experience.

For the benefit of those who may not be familiar with the area, may I say that Killarney Provincial Park is situated on the north shore of Georgian Bay, some 40 air miles south of Sudbury. It is within reasonable driving range of Toronto and the major population areas of southern Ontario. It is accessible by road and water. The park is in the central core of the La Cloche range, a series of most attractive white quartzite hills popularly known as the Killarney Mountains. Its spectacular topography, clear lakes and rugged Georgian Bay shoreline make it one of the finest scenic areas in Ontario.

To achieve a truly primitive status for the park, a number of existing and conflicting land uses will be gradually phased out. As an initial step, a timber volume agreement in the park was recently cancelled and the company was located elsewhere. A small area of the park that had been cut over will be rehabilitated by tree planting; the timber road will be blocked to prevent access by this means, and buildings and improvements removed to restore the site to its natural state.

All other conflicting uses, including patented properties, land-use permits, traplines, hunting and licenses of occupation, will be gradually phased out as well as existing car, camping and day-use activities. The Department of Lands and Forests will continue to operate the park as a natural environment park until the necessary primitive condition has been reached following the gradual elimination of other activities.

I commend this park, Mr. Speaker, to all members who may be planning a canoeing vacation this summer.

Mr. Speaker: Oral questions.

STATUS OF QUETICO PARK

Mr. Nixon: Mr. Speaker, further to the Premier's statement, can he give me the specific classification of Quetico Park and is it considered that that classification is going to be primitive in the future?

Hon. Mr. Davis: Mr. Speaker, the report of the Quetico group has not been received in its final form or final determinations made. We have accepted one of the recommendations. There has not been finality with that aspect of Quetico as yet.

Mr. Nixon: A supplementary related to this: Is the Premier able to tell the House that negotiations are going forward with the government of Canada on the basis of a national park in the province?

Hon. Mr. Davis: Mr. Speaker, the Minister of Lands and Forests might wish to answer that question. There have been discussions; at what stage they are at this moment, Mr. Speaker, I cannot tell. Perhaps when this part of the question period is over he might redirect that to the Minister of Lands and Forests.

Mr. Nixon: Mr. Speaker, if there are no other questions on that basis, I would like to redirect the question to the Minister of Lands and Forests.

Hon. R. Brunelle (Minister of Lands and Forests): I hope in the very near future to be making a joint announcement with the hon. Jean Chretien, the Minister of Northern Affairs in Ottawa, on the announcement of a national park in Ontario.

ALLEGED WELFARE FRAUDS

Mr. Nixon: Mr. Speaker, a question that I guess I will direct to the Attorney General: With the announcements of further charges being laid in the alleged welfare fraud situation in Etobicoke, can he report to the House on his investigations in other areas? Is an investigation taking place in Victoria county in similar matters?

Hon. A. F. Lawrence: Mr. Speaker, I have no knowledge of the investigations in these matters, but I will be glad to take that question as notice.

Mr. Nixon: Mr. Speaker, a question of the Minister of Social and Family Services: Can he inform the House if his department has any knowledge of possible welfare fraud situations in the Victoria county area, and if he is investigating them?

Hon. T. L. Wells (Minister of Social and Family Services): Mr. Speaker, I understand that in my absence last week this question was asked by one of the hon. members opposite. I understand that this is being investigated now and I will get a statement for the hon. member next week.

ONTARIO ECONOMIC COUNCIL

Mr. Nixon: Mr. Speaker, a question of the hon. Minister of Trade and Development: Is he satisfied with the present classification of the economic council of this province as an adjunct to his department? Is there any discussion taking place as to the possibility that it might be moved to the jurisdiction of the Premier's department so that it will not have the atmosphere simply of a ministerial agency, but will have more independence?

Hon. A. Grossman (Minister of Trade and Development): Mr. Speaker, as I mentioned earlier in the session, the whole department and all of its branches are under review. There will be some changes taking place; if, as and when there is some decision in respect of a change in the status of the economic council, it then of course will be a matter of government policy and at that time the House will be informed.

Mr. Nixon: Mr. Speaker, a question of the Premier—

Mr. Lewis: By way of supplementary, Mr. Speaker: Shortly after becoming head of the Ontario Economic Council, Dean Gillies made a speech advocating the return of Air Canada and the Canadian National Railways to private enterprise. Is that to be the policy of the Ontario Economic Council?

Hon. Mr. Grossman: A little slower please.

Mr. Lewis: Dean Gillies advocated the return of Air Canada and Canadian National Railways to the private enterprise sector. Is that now to become the policy of the Ontario Economic Council? This was shortly after his appointment.

Hon. Mr. Grossman: Is the hon. member referring to whether it is a policy of the economic council to make such statements?

Mr. Lewis: No, to make such proposals—whether that will be their policy.

Hon. Mr. Grossman: It seems to me, from the terms of reference that I have so far examined in respect of the economic council, that I would not see anything to preclude them from making any recommendations they would be so inclined to make.

Mr. Lewis: Sort of changed the tone of the council a little?

Hon. Mr. Grossman: I am not at this stage in a position to say really whether that would change the tone or not.

Hon. A. F. Lawrence: Does the hon. member think we should gag them?

Mr. Lewis: No, no. Fine.

CONSTITUTION OF CANADA

Mr. Nixon: A question of the Premier: Following the statement made by the federal leader of the Conservative Party in the Parliament of Canada yesterday, is he prepared in any way to amend his statement yesterday that Ontario can take no further role in re-instituting the constitutional talks? Does he still believe, in fact, that the constitutional discussions for the time being are a dead letter?

Hon. Mr. Davis: Mr. Speaker, I am not familiar with what the federal Leader of the Opposition said in Ottawa yesterday. I thought I made it abundantly clear that until June 28, which is only a few days away, until all determinations are made by the various governments—and I understand, but only from the press, that the Premier of Quebec is going to be having some discussions perhaps with the Prime Minister of Canada—certainly until the 28th, I would think the matter remains as it is. After that date, if every government has indicated its acceptance, rejection or what have you, perhaps some other thoughts might be presented. But until that time I think the matter must remain as it is.

Mr. Speaker: The hon. member for Scarborough West.

NO-FAULT INSURANCE

Mr. Lewis: Mr. Speaker, I have some questions for the Minister of Financial and Commercial Affairs, based on his announce-

ment yesterday. Is it correct that only 30 per cent of dollar payouts in the automobile insurance field are directed to personal injury, and that therefore what he introduced yesterday was a 30 per cent no-fault plan; and therefore does he not think that it is rather extravagant to suggest that it is second to no plan on the North American continent?

Hon. Mr. Wishart: To answer the last part of the question first: no, it is not extravagant at all; it is a fact.

Mr. Lewis: It is hyperbolic. Most extraordinary hyperbole for you.

Interjections by hon. members.

Mr. MacDonald: Let us deal with the facts.

Hon. Mr. Davis: He is still a long way from you, the leader of the NDP. He is a long way from him yet.

Mr. Lewis: I know that. He is catching up.

Hon. Mr. Davis: It will take years.

Mr. Lewis: It will not take that length of time.

Mr. MacDonald: He has left Saskatchewan and Manitoba out.

Hon. Mr. Wishart: Mr. Speaker, I cannot assert the actual percentage. I could get that perhaps.

Mr. Lewis: But it is approximate, is it not?

Hon. Mr. Wishart: It might be approximate.

Mr. Lewis: Yes. And am I to understand further—I am sorry the figures are analogous, but I want to put it—that the 30 per cent of the driving population in Ontario not voluntarily covered by personal injury no-fault insurance will now be covered in a mandatory way and in fact will have to pay the additional \$9 on the premium, is that not correct?

Hon. Mr. Wishart: Mr. Speaker, the standard premium for that coverage is \$9 per vehicle per year, and anyone acquiring that insurance naturally would pay that coverage. That is not an increase; that is the standard rate.

Mr. Lewis: But, by way of supplementary, as I understand it you have given then to the insurance companies an additional \$9 million by way of premium income by virtue of this particular proposal?

Hon. Mr. Wishart: In requiring that all policies issued contain that mandatory coverage, the insurance companies will be required to assume that risk—

Mr. MacDonald: It is a good way to help the agents who get it automatically.

Hon. Mr. Wishart: —and in doing so, we have enriched the benefits they will be required to pay, which will offset anything they may get.

Mr. Lewis: Yes, offset. By way of supplementary, is it not true that the Canadian Underwriters Association has simply guaranteed not to raise premium levels in the area of personal injury insurance but has said nothing about property damage insurance, so that in fact the rates may well rise?

Hon. Mr. Wishart: The undertaking from the insurance industry was not to raise the rates in 1972 and to carry that coverage for policies that are presently in existence but do not have it up until their renewal and the new plan of mandatory coverage comes on. They have not, I think, said anything definite about raising or not raising rates of property damage, and I think there is no implication that there is any suggestion they will raise it.

Mr. Lewis: But as I understand it, by way of supplementary, the undertaking is only in the area of personal injury. They have made no undertaking in any other area except given the consistent pattern of accelerated premium increases over the last several years, it is entirely possible it will occur again.

Hon. Mr. Wishart: I do not think it is possible it will occur again.

Mr. Lewis: The minister does not think it is possible? By way of supplementary, why does he say that it will not increase through the year 1972 when the Canadian Underwriters Association says it will only be up to the renewal dates of individual policies? That is, if a policy is to be renewed January, 1972, it goes up at that date.

Hon. Mr. Wishart: It does not go up at all, Mr. Speaker.

Mr. Lewis: Oh yes it does, on the other part.

Hon. Mr. Wishart: No, if it does not carry that mandatory covering that coverage will be in the policy terms and conditions, and the requirement will be to pay the premium

of \$9, which coverage is not in the policy, but that is not—

Mr. Lewis: Which is an increase in premium!

Hon. Mr. Wishart: No, no. It is an additional undertaking.

Mr. MacDonald: And the property proposition can go up?

Mr. Lewis: And the property side will go up as it has 12 per cent a year.

Hon. Mr. Wishart: The hon. member is just making a statement out of—

Mr. MacDonald: What world does the minister live in? A real world or a dream world?

Mr. Lewis: By way of a supplementary question: Is there any regulatory body set to look at the rate structure as indicated in the bill, and to prevent the sawoff which the private insurance agencies have developed in British Columbia as they divide the spoils given to a private industry under a no-fault clause?

Hon. Mr. Wishart: Mr. Speaker, I think the hon. member knows the superintendents of insurance of all the provinces meet and review rates. They examine rates and with our actuaries assess the rates as to their reasonableness and their fairness. They can exercise a very firm control in that way and have done so over the years. There is in our Insurance Act—I think I may point out that legislation has been passed—giving the superintendent of insurance the power to fix and regulate rates. Those sections have not been proclaimed, but that—

Mr. Singer: Nor have they been for 37 years or 40 years.

Mr. Lewis: That is right, which means that they do not apply.

Hon. Mr. Wishart: But the fact is that we could proclaim them tomorrow—

Mr. Lewis: But the minister has no regulatory system when this comes in.

Hon. Mr. Wishart: That is a very effective statement—

Mr. Lewis: They sit around a table and they decide—it gets worse than—

Hon. Mr. Wishart: Does the member want my answer? That is a very effective statement

—to give the superintendents that power to regulate rates.

Mr. Singer: And that statement is utter nonsense.

Hon. Mr. Wishart: And that power is used.

Mr. Lewis: I have one final supplementary, Mr. Speaker. I appreciate your indulgence, sir.

I take it then that what the minister has got, if I understand it, is 30 per cent no fault insurance in Ontario, excluding fully 70 per cent of the dollar payouts for accidents in Ontario, with a \$9 increase for all of those who are subsequently covered, with no guarantee about a future increase in premiums in the property damage area, falling considerably behind the present level of benefits in both Manitoba and Saskatchewan. How can the minister call this the finest plan of its kind on the North American continent? It is nonsense. It is fraudulent.

Hon. Mr. Wishart: Mr. Speaker, I hardly think that is a question but a speech, but I—

Mr. Lewis: That may be so.

Hon. Mr. Wishart: Certainly it is not very factually stated and I would not attempt to debate with the hon. member. That is really not a question at all. It is a speech and not very well premised.

Mr. MacDonald: Yes, but the facts cannot be disputed.

Mr. Speaker: Has the member for Yorkview a supplementary?

Mr. F. Young (Yorkview): Mr. Speaker, a further supplementary of the minister: How is the accident part of the car insurance policy affected by other accident policies which a driver may have? Will there be a sawoff in settlements? Does this mean that we are simply being assessed for extra premiums for coverage which we already have if we have the accident policy with another private insurance company?

Hon. Mr. Wishart: One is not being assessed an extra premium for coverage. The policy which this legislation will require is a policy carrying that coverage both for death and personal injury, and with the benefits flowing from it as set out in the schedule to the bill. If one carries additional extra coverage, to whatever extent is allowed by law, one is permitted to do so.

I think one cannot do that—carry coverage for an additional income in the event of accident or injury—but one can carry additional coverage for income return or for benefits resulting from disability. To some degree, as the bill points out, the income benefits would be pro-rated. Naturally, one cannot, like insuring one's house for fire—if one has a house that is worth, say, \$30,000—one cannot insure it six times and collect \$180,000, if it burns to the ground. One could pro-rate those benefits. There are some types of insurance where the additional benefits can be in addition to those benefits supplied under the policy.

Mr. Young: Mr. Speaker, a supplementary again: If I have, as I have, a package policy covering pretty comprehensive coverage in the whole insurance field, including accident benefit, and I cannot separate the accident out from the rest, then I am assessed another \$9 for the car insurance which covers pretty much the same field. It simply means, then, I cannot cancel the other. I am paying the extra \$9 for supplementary coverage and the two companies will get together and decide which part of the benefits they are going to pay me. But I am paying the extra money and they are reaping extra benefits, that is, the insurance companies.

Hon. Mr. Wishart: I think that is not quite so. This part is so, that if the hon. member takes out a policy on his car, he will be required to take this coverage, the mandatory portion of coverage for personal injury and death and disability benefits and wage benefits, and so on for disability. Now if he has other insurance, when he says he cannot cancel it, I do not know about that. I would not know why he could not. But if he insures his motor vehicle under this legislation, it would require him to carry this kind of coverage.

Mr. Speaker: The Leader of the Opposition has a supplementary?

Mr. Nixon: Mr. Speaker, since the hon. minister feels that the threat of the implementation or the proclamation of those sections passed by the Legislature back in the early Thirties is so useful to him now, then surely he should be contemplating the proclamation of those sections so that the standing committees of the Legislature and the government itself will be able to act in the public interest in this regard—

Mr. Speaker: State your question.

Mr. Nixon: —is he contemplating the proclamation?

Hon. Mr. Wishart: Mr. Speaker, this question was asked in my estimates. I have been aware, of course, that the law is there, the power is there. It could be implemented by proclamation.

My own feeling is that the fact that the power is there, and can be used almost immediately, if necessary, gives just as effective enablement or power to the superintendent as if they were proclaimed.

Mr. Lewis: That is no way to regulate rates. The minister is a 30 per cent Tory, that is what he is.

Hon. Mr. Grossman: The hon. member is sounding more like Laxer every day.

Mr. Lewis: I know the conference is not going as well as it might. There was nobody there yesterday afternoon.

Hon. Mr. Grossman: What about last night? Trying to expropriate the whole country.

Mr. E. W. Martel (Sudbury East): We are not going to give it away.

PURCHASE OF RESORT AREAS

Mr. Lewis: It was quite pleasurable last night, Mr. Speaker. May I ask a question of the Minister of Lands and Forests?

Can the minister indicate whether his government proposes any policy to prevent the purchase of resort areas, such as King Mountain, in the area of Sault Ste. Marie, which was purchased by a United States firm very recently?

Hon. Mr. Brunelle: Mr. Speaker, I am not familiar with the subject matter. If the land in question is privately owned land we have no jurisdiction in my department over privately owned land. A person can sell his own land to any other person he wishes.

Mr. Lewis: Are you not concerned that such large tracts of land, in this case over 2,000 acres, purchased by a Chicago company known as Mountainview Corporation—one of the finest resort areas available, skiing and summer sports in the Soo area—are you not concerned that this land is being alienated to a foreign control in this fashion?

Hon. Mr. Brunelle: Mr. Speaker, as I indicated earlier, I am not familiar with it. I

would be pleased to look into it. But I would like to say to the hon. member that in northern Ontario we have thousands, millions, of acres of good recreational land.

OWNERSHIP AND SALE OF CROWN LAND

Mr. Lewis: By way of a question of the Minister of Lands and Forests, need there be regulations proclaimed involving Crown land sales or leases in Ontario? I notice in the recent Gazette you have regulations involving the sale and lease of public lands, but it does not seem to cover cottage areas, it covers purely summer resort use. Are you publishing a set of regulations emanating from your original announcement?

Hon. Mr. Brunelle: I am not sure just exactly what the hon. member is referring to, Mr. Speaker. The regulations with reference to the disposal of summer cottage lots or lease, I believe, are presently in the regulations and if they are not in the last issue they will be in the next one.

Mr. Lewis: I see, that is what I am asking. Sorry, Mr. Speaker.

Mr. Speaker: The member for Windsor-Walkerville.

SWEEP PROGRAMME ON PÊCHE ISLAND

Mr. B. Newman (Windsor-Walkerville): Mr. Speaker, I have a question of the Minister of Lands and Forests. As his department will take over the ownership of Pêche Island today and as there is no conservation authority in Essex county, to whom will students wishing summer employment in the SWEEP programme for the clean-up of the island apply? When will the clean-up start? And will the minister give priority to students who have applied to the junior forest ranger programme and could not be accepted?

Hon. Mr. Brunelle: With reference to the junior ranger programme, Mr. Speaker, our programmes are planned months ahead. I do not believe it would be advisable at this stage to interfere with the planning of the junior ranger programme where the great majority are located in camps in northern Ontario.

I have indicated, however, now that Pêche Island is owned by the Ontario government, that we intend to clean up the island this summer and that we will have students under

the SWEEP programme doing this type of work.

Mr. B. Newman: A supplementary question, Mr. Speaker: The students who I referred to are local students from the Essex county area who cannot get in on a SWEEP programme because there is no conservation authority in Essex county. Would the minister consider giving them preference in employment on the clean-up of Pêche Island—that is, those students who were turned down by the junior forest ranger programme and who live in Essex county—so that they could work on a live-home-and-work-out programme?

Hon. Mr. Brunelle: Mr. Speaker, I will be pleased to give this matter my utmost consideration.

Mr. B. Newman: A supplementary question: Is the minister considering the renting or leasing of the property either to the city or to the board of education in the community so that they could develop a nature park in the area?

Hon. Mr. Brunelle: Mr. Speaker, the future planning of the island has not yet been decided upon. We will be pleased to take the member's recommendation into consideration.

Mr. B. Newman: Thank you.

Mr. Speaker: The member for Yorkview.

PROTECTION PROPOSED FOR EXPOSED GAS METERS

Mr. Young: A question of the Minister of Energy and Resources Management: In view of the two dangerous situations created in Owen Sound during recent weeks, the last one on Tuesday, when motor vehicles smashed into exposed gas meters, allowing large quantities of gas to escape with almost fatal results, will the minister take steps to insure that Union Gas gives more adequate protection to its gas meters installed outside buildings?

Hon. G. A. Kerr (Minister of Energy and Resources Management): Mr. Speaker, I am not sure if that question is directed to the right minister. I had not heard of these incidents in Owen Sound, but I will be pleased to look into it and somebody will reply to this question.

Mr. Deacon: The Ontario Energy Board?

Mr. Speaker: The member for Grey-Bruce.

PLANS FOR CAMP IN ALGONQUIN PARK

Mr. E. Sargent (Grey-Bruce): Mr. Speaker, a question of the Minister of Lands and Forests: Would the minister care to comment on the plans to decimate the Taylor-Statten interest in Algonquin Park? What is going to happen there?

Hon. Mr. Brunelle: Mr. Speaker, the advisory committee on Algonquin Park has submitted its recommendations. We as a government are considering these at the present time, and some time in the weeks ahead we will make our views known.

Mr. Sargent: As a supplementary, does the minister agree that the 170 buildings of the Taylor-Statten camp will not be disturbed and will be allowed to continue?

Hon. Mr. Brunelle: Mr. Speaker, I would like to say specifically with reference to that camp that their lease expires in 1991; so there is a full 20 to 21 years left in that lease. I would like to say, Mr. Speaker, that we as a government are very concerned and we realize the value of youth camps and, as I indicated, in the weeks ahead we will make our position known and I am sure it will meet with the approval of the majority.

Mr. S. J. Randall (Don Mills): Bring it up again in 1991.

Mr. Speaker: The member for Sudbury East.

USE OF INCO REPORTS IN REPLIES TO UNIONS

Mr. Martel: A question of the Attorney General: While he was Minister of Mines, on how many occasions did he use confidential Inco reports to The Department of Mines as replies to answer union complaints regarding SO₂ concentrations or unsafe conditions, creating the impression that the union complaints were investigated by his inspectors?

Hon. A. F. Lawrence: Mr. Speaker, I do not remember.

Mr. Lewis: Did the minister really do that?

Mr. M. Shulman (High Park): Eighteen times.

Mr. Nixon: More than twice?

Hon. A. F. Lawrence: No more than twice.

Mr. Martel: Is the minister aware that in the report concerning SO₂, which he submitted to the union on September 17, 1970, that a letter marked as confidential from the CFU superintendent of safety for the International Nickel Company, which was submitted to his then department, has shown up in its entirety, word for word, as the answer to the union complaint?

Hon. A. F. Lawrence: No, Mr. Speaker, I am not aware of that.

Mr. Martel: Well, would the minister check, despite the fact he has changed departments, because this sort of nonsense cannot go on?

Hon. A. F. Lawrence: No, Mr. Speaker, I will not.

Mr. Martel: Might I ask a final question then?

Hon. A. F. Lawrence: Ask the minister.

Mr. Martel: Yes, but it is over this minister's signature.

Mr. Speaker: The member for Rainy River.

Mr. Martel: One final supplementary question: Is this the type of labour representative the minister was saying he wanted for the Tory party in Sudbury East the other night?

Mr. Speaker: The hon. member is out of order on all these questions. The member for Rainy River.

Mr. MacDonald: Good grist for the mill up in Sudbury.

U.S. AIRCRAFT LANDING IN ONTARIO

Mr. T. P. Reid: Mr. Speaker, I have a question of the Minister of Lands and Forests. Is the minister or his department going to make any representation in opposition to the application of Bowman Airways of Ranier, Minnesota, to the Air Transport Board on July 8, in regard to having the Air Transport Board regulations changed in regard to U.S. aircraft landing in Ontario? The minister has had notice of this.

Hon. Mr. Brunelle: I am not aware of this, Mr. Speaker. I will be pleased to look into it.

Mr. Speaker: The member for Sandwich-Riverside.

INCREASE IN LEAD LEVELS IN ENVIRONMENT

Mr. F. A. Burr (Sandwich-Riverside): Mr. Speaker, a question of the Minister of Energy and Resources Management. Inasmuch as symptoms of lead poisoning have been discovered by medical studies in Tokyo, Japan, at high traffic density corners, and in Frankfurt, Germany, among the sanitation workers, would the minister have the environmental health service, or some other suitable body, make a similar study amongst sanitation workers in Ontario to see whether the same conditions exist here?

Hon. Mr. Kerr: Yes, Mr. Speaker, I would certainly have no objection to such a survey. I think as the hon. member suggests, the environmental health branch would be the logical agency to carry out a survey of this kind in conjunction with some branch of the air management section. These surveys, as the hon. member knows, are carried on from time to time now within structure confines by The Department of Health in relation with The Department of Mines, but we have no objection, assuming that it is an accurate study and reflects accurate statistics, to such outside study affecting groups of workers.

Mr. Speaker: The member for York Centre.

YORK REGION HYDRO-ELECTRIC

Mr. Deacon: A question of the Minister of Municipal Affairs, Mr. Speaker: When will the minister be outlining the plan for the reorganization of municipal hydro-electric distribution in the region of York?

Hon. D. A. Bales (Minister of Municipal Affairs): Mr. Speaker, in the course of the estimates this week, I dealt with that matter. I said at that time I had meetings with the people, with the local Hydro representatives, and the matter is under consideration at the present time. I hope it will be resolved before long.

Mr. Deacon: A supplementary: Will the minister either bring in the new legislation or extend the time of the service of the existing system before this session prorogues or adjourns?

Hon. Mr. Bales: That will be determined, but I would hope so.

Mr. Speaker: A supplementary? Then the member for Grey-Bruce has the floor.

JULY 1 PARTY AT QUEEN'S PARK

Mr. Sargent: Mr. Speaker, I have a question of the Provincial Secretary. In view of the fact that he is holding a party on July 1 on the Queen's Park lawn here, as a political gimmick for himself, I would say, and in view of the fact that the people of Ontario are picking up the tab for this in Toronto, is there any good reason why we in Owen Sound, or Windsor, or Ottawa, cannot have the same privilege and pick up the tab for them too? Supplementary to that—

Hon. A. F. Lawrence: It is a good idea.

Mr. Young: Featuring the local member.

Mr. C. G. Pilkey (Oshawa): You will need the member for Don Mills' hamburgs for those new hot dogs.

Interjections by hon. members.

Mr. Sargent: I understand there is a long list of invitations to this party. How many invitations are going out?

Mr. T. P. Reid: For a five-cent hotdog I am glad the minister did not invite me.

Hon. J. W. Snow (Minister without Portfolio): Hamburgs are 50 cents.

Mr. Randall: I have the hamburg concessions.

Mr. MacDonald: From washing machines to hamburgers is quite a switch.

An hon. member: I want a hot dog.

Mr. Sargent: I would like an answer to this.

Mr. Pilkey: Those new hot dogs.

Hon. J. Yaremko (Provincial Secretary): Mr. Speaker, the affair is being held in front of the Parliament Buildings of Ontario because they are situated in what is the only capital city of the Province of Ontario.

Mr. T. P. Reid: Who told the minister that?

Mr. MacDonald: A simple question gets a simple reply.

Hon. Mr. Yaremko: A capital city which, I want to declare to the hon. member, Mr. Speaker, belongs to him and to everybody of this province. I notice the the leader of the NDP interjected, "all people." That is the position we take. This city belongs to everybody in Ontario.

Mr. MacDonald: Trala, trala, trala!

Mr. Lewis: Is that a statement of government policy?

Hon. A. F. Lawrence: Not to the cars but to the people.

Hon. Mr. Yaremko: The invitation is that everybody in Ontario is invited to be in front of the Parliament Buildings.

Mr. T. P. Reid: What if they all show up? Have you got enough hot dogs for everybody?

Hon. Mr. Yaremko: We would be delighted. The more the merrier. As to the number of invitations to the Lieutenant Governor's reception, I think the Lieutenant Governor has a list of only 1,500. If the hon. member, or any other members have names of people they would like—

Mr. Nixon: What if everybody in Bellwoods shows up?

Mr. G. Demers (Nickel Belt): This is an obvious lobby for the turkey farmers.

Hon. Mr. Yaremko: —to have invited to the party—and I may say, Mr. Speaker, I do not want to anticipate remarks in reference to a certain national day which will be made by me next week, I think.

An hon. member: Will the members stop that?

Mr. Sargent: Thank you, Mr. Speaker. May I ask a supplementary? May I ask is there a list going out to the minister's constituents and how many?

Hon. Mr. Yaremko: Mr. Speaker, this list covers all of Metropolitan Toronto and beyond, I think, in some cases.

Mr. Sargent: Okay. Who is sending out ones to other than the minister's riding?

Hon. Mr. Yaremko: Mr. Speaker, the Lieutenant Governor is sending out all the invitations to his receptions.

Mr. J. B. Trotter (Parkdale): Just a big Tory bun feed by the sound of things.

Hon. Mr. Kerr: The Liberal Party—

Mr. Sargent: Who provides him with the list? Would it be fair to say that we are putting on a party for the government and we are paying for it?

Interjections by hon. members.

Mr. Speaker: The hon. member will resume his seat so that the minister may answer.

Mr. Sargent: Who is paying for it?

Mr. Speaker: Order! The hon. member will resume his seat so that the minister may answer. The minister has the floor.

Mr. Sargent: Mr. Speaker, you know what is going on, do you not?

Mr. Speaker: Do sit down! Do sit down!

Interjections by hon. members.

Mr. Sargent: You have got to be kidding. They are giving you a snow job.

Mr. MacDonald: The minister is too hot to do a snow job.

Hon. Mr. Yaremko: Mr. Speaker, the party and picnic in front of the Parliament Buildings is open to everybody in the province. The press have already given it excellent coverage. I trust that there will be an invitation published—

Mr. T. P. Reid: I bet the minister they are not there.

Mr. Sargent: Why did the government not do it last year? No election last year!

Hon. Mr. Yaremko: Mr. Speaker, there was a party last year and the year before that.

An hon. member: Every year.

Mr. Pilkey: It was very exclusive though.

Mr. Nixon: Everybody in Bellwoods was invited.

Hon. Mr. Yaremko: This is hospitality extended by the province with respect to the picnic in front of the buildings. I may say this, the Lieutenant Governor of this province, the hon. Ross Macdonald, when it was put before him that he should have on our national day a reception for the citizens, very graciously acquiesced, and this is open to everybody.

Mr. Speaker: Has the member for Scarborough West a supplementary?

Mr. Lewis: By way of supplementary: To whom are the 1,300 invitations being sent? Exactly which list?

Hon. Mr. Yaremko: Mr. Speaker, the list that was prepared started off, to my knowledge, with the 117 members of this Legislature. It covered all of the media, and covered those people who are interested in citizenship affairs. He would welcome any names that would be suggested to have the people here. A party for the people.

Mr. Speaker: The member for Rainy River.

TOXIC EFFECTS OF PEST KILLER

Mr. T. P. Reid: A question of the Minister of Energy and Resources Management.

In view of the fact that the toxic qualities and effects of the Shell Vapona No-Pest Strip were brought to his attention, what results did his department come up with in regard to this? Has his department any idea of banning this from sale across the Province of Ontario?

Hon. Mr. Kerr: Mr. Speaker, the officials of my department, since it was brought to our attention, are looking into this, as well as officials of The Department of Health. We have a deputy ministers' committee, and I am sure the hon. member is aware that it is concerned with all matters that might affect the environment. They are looking into it, and I am expecting that a report will be submitted in a very short time.

Mr. T. P. Reid: By way of supplementary: Has the minister any preliminary report which would justify the findings of Pollution Probe in regard to this No-Pest Strip product?

Hon. Mr. Kerr: Mr. Speaker, the preliminary information that I have is that the findings do not justify any type of banning or drastic regulations. However, this is a very preliminary indication or report at this time.

Mr. Speaker: A supplementary?

Mr. Burr: A supplementary, Mr. Speaker, is the minister's study including the question of packaging; that is, the description of the product on the outside of the package rather than the warnings that are found inside after the person has taken the package home and opened it up?

Hon. Mr. Kerr: I did not quite hear the first part of that question, Mr. Speaker. I am assuming the hon. member is suggesting

that the warning should be on the outside. Yes, this is something we should consider.

Mr. Speaker: Are there further questions? The member for Huron-Bruce.

Mr. Gaunt: I have a question of the Minister of Public Works. He just stepped out; I am not sure whether he is at the back there or not.

Mr. Speaker: Well, unless we have further questions we will move on into the orders—the member for Yorkview.

NO-FAULT INSURANCE

Mr. Young: A question of the Minister of Financial and Commercial Affairs: In view of the fact that the insurance bill has been introduced, will the minister take steps to ensure that the investment income on these insurance premiums that are paid is ploughed back into the fund to affect rates?

Hon. Mr. Wishart: I take it, Mr. Speaker, that the fund the hon. member is speaking of is the fund created by the premiums? He is not talking about the accident benefit fund? No. Well the whole tenor, purpose, approach to this bill was that we would enrich the benefits paid under this type of insurance, which we have done for those policies which presently carry this type of thing, and the actuarial studies were designed to apply the funds created by the premiums to the fullest, richest benefits possible. That is the whole approach.

Mr. Young: Mr. Speaker, a supplementary: That does not answer the question. About six per cent of the income of the insurance companies in this regard comes from interest on reserve funds, invested using premium dollars. Will the minister see that this return of interest is ploughed back to be used in lowering premiums for the future?

Hon. Mr. Wishart: I will certainly take that under consideration, Mr. Speaker.

Mr. MacDonald: By way of further supplementary: Will the minister consider a statutory obligation that it should be done, as is now the case in many states of the American Union?

Hon. Mr. Wishart: I think that was implied in my answer to the member for Yorkview that I would take it under consideration and see what can be done.

Mr. Lewis: The minister will never touch rates until he makes it public. He will never touch rates in the private industry.

Mr. Speaker: The member for Huron-Bruce.

CLARIFYING DAY NURSERIES ACT

Mr. Gaunt: Mr. Speaker, I have a question of the Minister of Social and Family Services. When will the minister be in a position to answer my question with respect to possible amendments to the day-care centres Act, with specific reference to the problem in Stratford?

Hon. Mr. Wells: Mr. Speaker, I took note of the hon. member's question. It was a very valid suggestion. We studied the thing and we have the amendments ready. I hope to introduce the bill next week.

Mr. Speaker: The member for Oshawa has a question?

Mr. Pilkey: I wonder if I could ask a question of the House leader, in view of the fact that the appropriate minister is not in House? I would like to know—

Mr. Speaker: This is not a procedure that normally we have been following. I think that the hon. member, unless it is a very urgent question, of which he can be the first judge, should await the arrival of the appropriate minister.

If it is a very urgent question that cannot wait until the first of the week, then it perhaps could well be directed to the House leader, otherwise I would not think so.

Mr. Pilkey: Mr. Speaker, I wanted to know if he could take this matter up with his cabinet colleague. If I could ask that kind of a question would he take it—

Mr. Speaker: No, the purpose of the question period is to enable the members of all parties to ask questions of the ministers. We would be aborting that procedure if we went to the procedure of asking the House leader if he would discuss a question with his colleagues, it seems to me.

Has the member for Huron-Bruce another target?

Mr. Gaunt: No, I have a new question.

Mr. Speaker: That is what I meant by "another target."

ELECTION OF MEMBERS OF MILK MARKETING BOARD

Mr. Gaunt: May I ask the Minister of Agriculture, is it the intention of the ministers to require that all members of the Ontario Milk Marketing Board be elected at large?

Hon. W. A. Stewart (Minister of Agriculture and Food): Mr. Speaker, the way the question is framed would indicate that all are to be elected at once. No, that is not the intention at all.

The present method of the appointment of members to the Milk Marketing Board is done through the electoral committee system, whereby milk producers within a given zone represented by a member of the Milk Marketing Board elect from among the producers of that zone a committee. The committee, in turn, appoint someone who is a milk producer in that particular zone, not necessarily one of those who was elected to the committee, to represent that zone on the milk board.

In effect, the producers of the zone have no idea as to who the member of the milk board will be until they learn after the appointment has been made. Representations have been made to us, Mr. Speaker, on numerous occasions that milk producers of Ontario would like the opportunity to cast a ballot on who will represent them on the Milk Marketing Board.

The system in Ontario has been, because there are 12 milk zones in Ontario, that three members come up for consideration, or three zones appoint each year, so that there are only three new members, or three reappointments can be made each year. This system will be continued.

The proposal, Mr. Speaker, that has been made by the Milk Commission of Ontario to the Milk Marketing Board was based on the premise that there would be nominations from the producers of the particular zones that would come up for reappointment or reconsideration this year at about September 1. There would be a time given for the nominations to be made and for the nominees to present themselves for consideration of the milk producers in the zone. Then there would be a mail ballot sent to each milk producer in the zone, who would return it by a certain date to the office in Toronto—that is the office of the Milk Commission in Toronto—and the nominees from the respective zones could appoint a scrutineer to come to see the ballots counted.

Certain representatives, Mr. Speaker—may I apologize for the time I am taking, but I think it is a very important matter that the hon. member has raised—certain representatives of the Ontario Milk Board have suggested to me that they have reservations concerning the wisdom of sending out a mail ballot. They would prefer that the voting be held at a specific point and that there be a list which is readily obtainable of all milk producers in each county of the given zone, so that a milk producer within that zone can come to that office, his name will be recorded or struck off the list of those who are eligible to vote. He will be given a ballot to mark secretly and it will be placed in a ballot box at the office. Then it will be counted in front of a scrutineer whom he may wish to appoint.

This to me is a very valid suggestion, and I have passed that suggestion on to the milk commission. I hope they will be in favour of adopting that procedure. I think it is eminently fair and proper. But I simply point out, Mr. Speaker, that there is no thought whatever of all milk board members having to be voted on this year. It is simply a change in the procedure to an election rather than an appointment of the members of the Milk Marketing Board.

Mr. Speaker: We have come to the end of the oral question period.

Petitions.

Presenting reports.

Hon. A. F. Lawrence presented the annual report of the commissioner of the Ontario Provincial Police from January 1, 1970, to December 31, 1970, and the report of the Law Enforcement Compensation Board covering the period January 1, 1970, to December 31, 1970.

Hon. A. F. Lawrence: Arrangements have been made for all members to receive their copies of these reports.

Hon. Mr. Yaremko presented the annual report of the office of the Registrar General of The Department of the Provincial Secretary and Citizenship for the year ending December 31, 1970, and the annual report of the Alcoholism and Drug Addiction Research Foundation for the year ending December 31, 1970.

Mr. Speaker: The hon. member for Renfrew North has a report?

Mr. M. Hamilton from the standing natural and physical resources committee reported the following resolution.

RESOLVED:

that, supply in the following amounts and to defray the expenses of The Department of Transport be granted to Her Majesty for the fiscal year ending March 31, 1972;

Department of Transport

Departmental administration programme	\$ 1,666,000
Vehicles and drivers programme	\$11,229,000
Common carriers programme	\$ 2,646,000
Motor vehicle accident claims programme	\$ 1,269,000
Transportation programme	\$ 1,723,000

Mr. Speaker: Motions.

Introduction of bills.

Orders of the day.

TRUSTEE ACT

Hon. A. F. Lawrence moves second reading of Bill 62, An Act to amend The Trustee Act.

Mr. R. F. Nixon (Leader of the Opposition): On a point of order, Mr. Speaker, was this bill among those listed by the House leader for consideration this morning?

Hon. A. A. Wishart (Minister of Financial and Commercial Affairs): Oh, yes.

Mr. Speaker: Yes, I think so. Last night he indicated that—

Mr. Nixon: He stated the Attorney General would not be here.

Hon. A. F. Lawrence (Minister of Justice): Yesterday afternoon we indicated they would be going on.

Mr. J. Renwick (Riverdale): The minister specifically stated in reply to a question by me last night that the two bills remaining in the name of the Minister of Justice would not be called this morning.

Hon. A. F. Lawrence: I did not know that.

Mr. J. Renwick: We have no objection to them being called, but that is what he told us last night.

Hon. Mr. Wishart: That is not my understanding.

Mr. E. Sargent (Grey-Bruce): That is what Hansard says.

Hon. Mr. Wishart: The hon. member, I thought, asked me for—if I gave him that impression, I thought he was asking about two bills of my own that I said we would not deal with.

Mr. J. Renwick: There are no bills standing in the minister's name, are there, now?

Hon. Mr. Wishart: There are two bills.

Mr. J. Renwick: The automobile insurance?

Hon. Mr. Wishart: The publication bill and the credit reporting bill. However, if there is an objection—I understand there is no objection.

Mr. V. M. Singer (Downsview): Certainly I have the same impression.

Hon. Mr. Wishart: I am not trying to urge these on the House if there is an objection.

Mr. Singer: The minister would save himself so much trouble if he would make up a list and stick to it.

Mr. Speaker: Shall Bill 62 be ordered for third reading?

Mr. J. Renwick: Mr. Speaker, on a point of order, I was incorrect. I had thought that the Attorney General had said they were not going to be called but on checking Hansard, I find that he said they might well be called.

Hon. A. F. Lawrence: I am the Attorney General and I did not say whether or not they would be called.

Mr. J. Renwick: The House leader, then.

Mr. Speaker: In any event, is it agreeable to the House that I put the motion for second reading?

Motion agreed to; second reading of the bill.

Mr. Speaker: Shall the bill be ordered for third reading?

Agreed to.

Hon. Mr. Wishart: Mr. Speaker, perhaps I might say it was our thought, and I think perhaps the House understood it, that two

bills of the Attorney General—there is one more—and, last night I indicated, the Provincial Secretary (Mr. Yaremko), item 12, would all be before budget debate this morning.

COMPENSATION FOR VICTIMS OF CRIME ACT, 1971

Hon. A. F. Lawrence moves second reading of Bill 63, The Compensation for Victims of Crime Act, 1971.

Motion agreed to; second reading of the bill.

Mr. Speaker: Shall this bill be ordered for third reading?

Mr. J. Renwick: Committee of the Whole House.

Mr. Speaker: Is the minister agreeable, to Committee of the Whole House?

Hon. A. F. Lawrence: Committee of the Whole House? Sure.

Mr. Speaker: Agreed, Committee of the Whole House.

Agreed to.

LIQUOR CONTROL ACT

Hon. Mr. Yaremko moves second reading of Bill 72, An Act to amend The Liquor Control Act.

Mr. Nixon: Mr. Speaker, there was some discussion in the House yesterday on the other bill pertaining to this matter and I have only a few brief comments to make.

The minister has indicated in the introduction of these bills that this is the net result of the cabinet review of the liquor law in the province. I felt that his decisions have been essentially picayune in that the changes and the removal of irritations, as he calls them, do not really come to grips with the substantial difficulties which we face in this House and that are reflected to us as members of this House by the citizens of the province.

We have difficulty in determining just what the law is. We have read, following the introduction of these two bills, that the minister has indicated a glass of liquor will not be held in the hand within six feet of the edge of a swimming pool, and that the amount of alcoholic beverage included in

an individual chocolate will not be more than five per cent of the total weight, and so on.

Of course, this is not in the bill. It is in a regulation which the minister is no doubt going to promulgate some time but which we have not seen. We have also been treated over many years to the fact that the actual application of the statute or more specifically the regulation which comes from the mind of the minister or is probably recommended to him from the mind of someone in the Liquor Control Board or the Liquor Licence Board—these things are, in fact, the liquor law of the Province of Ontario. Now the amendments are practically meaningless.

He was able, for example, to extend the right of outdoor drinking privileges to a specific number of restaurants mostly in this city. I believe the magic number was 13 or 14. The minister, or the chairman of the board, felt that that was sufficient.

There is this feeling that liquor control is still very much an anachronistic aspect of government power in this province. If, in fact, the final summation, the total development from the cabinet review committee, is before us, then certainly the cabinet review was not worthwhile.

Mr. Speaker, you are surely aware of the changing mores in our community. The fact of restraining people under 21 years of age, who have completed their education—many of them married with family responsibilities—from legally taking a drink of alcoholic beverage is, well, as I say, anachronistic. No one, of course, wants to foster the dissemination or the further acceptance of alcoholic beverages.

We all know the cost to the province that this is, and yet surely we accept the lessons of recent years that it is a matter of education, rather than the kind of control that the minister still adheres to, that is at least going to keep this situation from becoming worse than it has been.

There are other problems that face us in the community involving other drugs that are much newer; that are not a part of, let us say the consumption skills if you want to call it that, or the moderation that must go with any balanced individual's judgement in these matters.

We still see that the government has not come to grips with the local option problem. At the end of the introduction of the bills, the minister got up and proudly proclaimed that he and his party still stick to the prin-

ciple of local option, although you know very well, Mr. Speaker, that through regulation and enactment the principle of local option has been broken repeatedly. In almost every area of the province it is possible to obtain a legal drink of liquor or beer, even though the people have voted against it, because of the enactments of this government. There is no doubt that they have weaseled on that commitment. Our position in this party is to abolish that local option situation and use the powers of the Liquor Control Board to license premises that come up to standards that are set by government policy.

Mr. Speaker, I mentioned briefly a few moments ago that this minister, more than any other, should be aware of the changing customs and mores in the community, not just among those people who have come from European countries since the war but among everybody who lives here. We do not want to foster drinking customs by young people—far from it—but still the minister knows that many people under the age of 21 do use beverage alcohol and, in so doing, break the law, and that the government must come to grips with the sort of regulation that is going to be respected and is going to be meaningful in a modern community. I feel that this legislation is inadequate. The minister says it removes some of the annoyances, and I suppose he is right, but apparently that is as far as the government is prepared to go.

Mr. Speaker: The member for Windsor West.

Mr. H. Peacock (Windsor West): Mr. Speaker, I do not intend to speak at length on the bill, albeit I wish to direct myself to one section of the bill which I believe is not only a key principle of this bill but is a fundamental principle of the whole liquor policy in the Province of Ontario. That is section 2 of the bill which deals with the question of prices.

Section 2 of the bill gives the board permission to fix the prices at which the various classes, varieties and brands of liquor are to be sold and then goes on to make two exceptions, the exceptions being the case of beer—no pun intended—and the case of liquor sold through the outlet to be known, I guess, as the duty-free shop at the Toronto International Airport.

Hon. J. Yaremko (Provincial Secretary): I wonder if I might just clarify the matter

for the hon. member. Those exceptions relate to the latter part of the clause; that is, the equality of prices. The fixing of prices applies across the province and those prices must be the same with the exception of those two instances.

Mr. Peacock: I see. Fine. I think the point I am trying to reach, Mr. Speaker, is not affected by the minister's explanation. There will in fact be the power to set uniform prices across the province invested in the board. I think that is the fundamental basis of the liquor policy and the attitude of the government of the Province of Ontario toward the consumption of alcoholic beverages by our population. Associated with that fundamental principle are the questions of distribution and hours.

But there is one factor that probably has more influence over the patterns of the quantities of alcoholic beverages consumed and the relationship between consumption and the incidence of alcoholism. The matter of pricing has more to do with this matter than perhaps with any other single aspect of our policy in regard to the consumption of this drug.

We in this party welcome many of the steps that are being taken by this legislation and the bill that was debated yesterday, in bringing them into line with the social use and habits of what is now a very large section of our population. These are changes contributed in good part by the numbers of new Canadians who have come to settle here, and changes which I think are welcomed by Canadians who have grown up in this society and have learned to enjoy the consumption of alcoholic beverages in the manner of refinement and grace that has been brought to us by new Canadians.

However, I still feel substantial objection and reservation toward this bill on account of the failure of the government to declare a broad overall policy in respect to this question as to whether or not there is a very direct relationship between growing per capita consumption of alcoholic beverages and the increase in the incidence of alcoholism.

I think, Mr. Speaker, that one might find, had we time this morning to look at the annual report of the Alcoholism and Drug Addiction Research Foundation, which was just tabled by the same minister under reports under routine proceedings this morning, that the ARF as it is now known, has been developing a very great concern about

this relationship between the control over pricing and distribution, on the one hand, and the rising incidence of disease from the use of alcoholic beverages, on the other hand.

From my recollections, Mr. Speaker, there does not appear to be any doubts in the minds of at least several key officers of the research foundation—the research director among them, who was in the news a few weeks ago with his reports of research into the reliance by certain wineries in the province on sales to chronic alcoholics, the so-called winos on skid row. There does not appear to be any doubt in his mind that, generally speaking, there is a very strong correlation between the policies which determine to what extent alcoholic beverages are made available and the numbers of persons in this province who suffer from the disease of alcoholism.

I find it very regrettable that this government, and this minister, have not declared themselves yet. The Minister of Health (Mr. A. B. R. Lawrence) says he will think about it. The Provincial Secretary, I think, is being totally silent on it and so far has given us no indication as to when he will put down for debate the reports of the Liquor Control Board of Ontario and the reports of the Liquor Licence Board, as we asked during his estimate, so that we can have in this Legislature a debate on this total relationship between the problem of distribution, pricing and the overall availability of alcoholic beverages, and the problem of coping with what is a growing incidence of alcoholism.

Of course, that particular problem—the growing incidence of alcoholism—to my mind is a far greater one than the problem of the drug culture among our young people. That is where most of the focus is now. That is where most of the anxiety is. All of the concern seems to be entirely directed at what is happening to young people as they enter the so-called drug culture, and suffer from the medical and psychological effects of drug abuse. But the greatest drug abuse of all lies very likely with alcohol and with the pattern of use by the adult population of alcohol and also the use by the adult population of great quantities of prescription medications. In respect to the consumption of both alcoholic beverages and prescription medications, particularly of the tranquilizer type, this government has so far remained silent. Whatever has been done by way of attack on the problem of abuse of chemicals,

used as drugs, it has largely been through the agency of the Addiction Research Foundation in respect to young people using what are called street drugs or hallucinogenic drugs.

I just think that we cannot pass legislation as provided in section 2 of this bill without raising a lot of questions as to whether the power to set prices, as given to the board in section 2 of Bill 72, should not be a power that ought to be examined very carefully, and given much more study than obviously it has been given by this minister and this department, as to whether the price policies and the power to set uniform prices across the province should or should not be a cardinal instrument of public health policy, whether or not the setting of prices for alcoholic beverages should not be a deterrent to use.

It is a very difficult question, Mr. Speaker, because once one raises a deterrent to the use of a socially acceptable chemical or drug or mood modifying drug—however the experts refer to it—such as alcohol, then obviously some people are deterred more than others. The well-to-do will continue to imbibe and indulge themselves in the habit and the poor will continue to imbibe and indulge themselves as best they can, as many of the present unfortunates on skid row do, or they will be impelled to move into other kinds of dependencies and addictions other than alcohol.

I, for one, am not certain as to the validity of the use of price as a deterrent. I would be very reluctant to adopt a policy in that regard, Mr. Speaker, because of my own fancy and reluctance to be so deterred, and my knowledge that there are an awful lot of other people in the province who resent the ever increasing prices for alcoholic beverages in this province.

But the steady continued growth of prices is not a matter of public health policy. It has never been a matter of public health policy. It is very simple a way of raising revenue, and always has been treated as such by this government. I doubt if any consideration has ever been given to the use of price-setting powers by the Liquor Control Board in respect to the needs of public health policy. This is certainly an issue which has raised itself in connection with the whole problem of drug abuse. It has been raised somewhat timidly by the officials of the Alcoholism and Drug Addiction Research Foundation, The Minister of Health has ventured that, at some point in the future, he

may get around to considering it as a major public health issue, but yet we have before us this morning legislation which continues to empower the board to set prices which, in its opinion are justified for whatever the reason that the board may be empowered to set prices. Certainly none of the reasons given the board for setting prices is the question of whether it is in the public health interest to set prices at the various levels at which they are set. I would think it would be timely for this Legislature to examine the discretion and other factors which the board uses in endeavouring to set prices.

Over against the matter of public health policy is, of course, the way in which the board often reaches prices which are clearly discriminatory against certain kinds of alcoholic beverages, either by virtue of their alcoholic content or by virtue of their place of origin. That kind of discrimination has been in practice in the past and, undoubtedly, will be allowed to continue under this bill and, again, we will have had no explanation of that particular part of government policy.

There is serious price discrimination as between classes, varieties and brands of liquor, depending on their alcoholic content and their place of origin. While I do not necessarily hold with George Bain, who likes to indulge himself in the tasting and acquisition of chateau wines from France and has urged the Provincial Secretary to get the liquor board to buy futures, but for George Bain and others like him—I also know that he goes to London for his suits, so that his tastes are somewhat above most of us who read Canada's leading newspaper—we should make more accessible all these various exotic types of liquor to persons like him, with his taste.

There should certainly be on the part of the government a much more definite policy toward price than simply to leave the power entirely within the hands of the liquor board, to set in a manner which is not subject to scrutiny by this Legislature and for which there are no guidelines.

I close, Mr. Speaker, by repeating my concern and placing as much emphasis as I can on this very serious gap in government policy that leaves us without a clear attitude on the part of the government toward the use of prices in regard to the control over the distribution and consumption of alcoholic beverages. That is an omission that must be repaired very soon, and adequately, if we are seriously going to come to grips with the

overall problem of drug abuse in the province.

Mr. Chairman: The member for Windsor-Walkerville.

Mr. B. Newman (Windsor-Walkerville): Thank you, Mr. Speaker. The leader of the Liberal Party has expressed the point of view of the party quite well. He did mention that the minister, in the introduction of the bill, is taking away some of the little irritations that accompany liquor control, but I would primarily like to speak on section 2, and that is the section that involves the sale of liquor at duty free locations.

I am going to speak for the international airport in the city of Windsor, the airport that, next to Malton probably has the largest number of international flights, charter flights, leaving it than any other airport in the Dominion of Canada. Flights go to all parts of the Caribbean, to Mexico and to South America as well as various parts of Europe. Charter flights do leave the airport. I have discussed with one of the officials of the Liquor Control Board at one time or other, the setting up of a duty free shop for the sale of liquor at the Windsor airport.

The minister made mention that Toronto international now will have that privilege. I hope that the minister, with his experience at the Toronto international, does not take too long before he implements a similar consideration for the Windsor airport.

While I am on my feet and discussing this, I would like also to bring to the attention of the hon. minister a situation that is a little different in Windsor and the western Ontario part of the province from the other portions of the province. That is the fact that the State of Michigan stays on standard time rather than daylight saving time and this puts the large number of liquor outlets in the Windsor area—those which cater to the American trade—at a real disadvantage. The hours are such that when it is 12 o'clock in Windsor, it is only 11 o'clock in Detroit. Detroit, being a fairly large and attractive convention centre, certainly puts Windsor in an ideal position to cater to a lot of the convention and tourist trade. I would like the minister seriously to consider some way of accommodating the various establishments in Windsor, Sarnia and Sault Ste. Marie area so that they could take advantage of American trade. Taking advantage of the American trade, or the only way that they could take advantage of that is if there was some accommodation made on hours.

The minister will say that it can open later. If they do open later they hurt themselves with the local trade because the local businessmen who would go to the licensed establishment, arriving at 12 o'clock, will find that the establishment is not allowed to sell beverages with meals until 1 o'clock, if they use that extended period of time. I would sincerely ask the minister to come to some type of accommodation with the Windsor liquor outlets, the Windsor taverns and so forth, so that they could take advantage of this.

Now, section 3. I am very pleased to find that the minister is changing the Act so that the minimum fine is no longer \$5,000. It was certainly not fair to have fined the small hotel operator back in Essex county \$5,000 for a minor infraction of the law.

Mr. Peacock: And entrapped into doing it, too.

Mr. B. Newman: That is right. Three members of the Ontario Provincial Police force came into the establishment, drank in the one portion of the establishment and sort of indirectly spied, enticed management to break the law so that they would have some type of fine or some penalty put on the operator. It was not playing ball in the manner that this department should be playing ball. I think the provincial police were not used in the right manner in that case.

Then again, this was the first time the establishment ever had an offence like this and to turn around and fine a small operator \$5,000 was going just a little too far. Now, with the amendment, there is no minimum that will accommodate such type of an infraction, but it certainly was not nice and was not right at the time to have penalized the small operator to the extent that he was penalized.

Mr. Speaker, this is the extent of my comments. I hope the minister will consider the international airport in Windsor and, likewise, consider some accommodation regarding daylight saving time and standard time between Michigan and Ontario.

Mr. C. G. Pilkey (Oshawa): Mr. Speaker, I want to congratulate the government for liberalizing the liquor laws in the Province of Ontario. I think we were faced with archaic laws in this area for a good number of years. I am not convinced that the government has done everything that it

could, but nevertheless I feel it is a progressive step in liberalizing the liquor laws in the Province of Ontario.

But as we liberalize the liquor laws in the Province of Ontario, we also create a social impact as a result. As my colleague pointed out, the incidence of alcoholism is rising—very dramatically, as a matter of fact, I might tell the minister. He cannot liberalize the liquor laws, as he is doing in this bill, without dealing with the other problem that is created as a result of that.

I want to tell the minister that as he liberalizes the laws I suspect very strongly that the availability of alcohol will mean greater sales in that area. Obviously a greater portion of the revenue from the alcoholic spirits that are sold today through the Liquor Control Board represents tax, as the minister knows. The pricing is really relevant to the whole tax structure in the Province of Ontario as far as alcohol is concerned.

But the facts are that in dealing with the social impact of alcoholism this province is spending about three per cent of its total revenue in this area and if the minister does not understand the kind of social impact that is created, then he ought to: families are being broken up and employees are losing their jobs as a result of alcoholism. In the whole social sphere the problem is continuing to escalate. It is my view that if this government is bringing in this type of legislation then it ought to bring in corresponding legislation that will assist in the area of rehabilitating the people who are addicted to alcohol in this province.

I want to tell the minister, if he does not know, that in the estimates of The Department of Health, as an example, the moneys appropriated to the Addiction Research Foundation was a total of \$6.9 million. And the total revenue through this minister's department, as I understand it, is in excess of \$200 million; yet we spend this niggardly amount of money from our total revenue to combat a social problem that we have to assume some responsibility for. I just wanted to make that point, Mr. Speaker: It is just not good enough to amend and liberalize the liquor laws in the Province of Ontario without providing corresponding legislation to combat the social problem that he primarily is responsible for.

Mr. Speaker: Is there any other member who wishes to speak to this bill before the minister? Does the minister wish to reply?

Hon. Mr. Yaremko: Mr. Speaker, I would just like to touch very briefly on some of the points raised by the hon. members; first, the two matters of age and option touched upon by the Leader of the Opposition. I made reference to the first matter that the decision in that regard actually had not been made; with reference to the latter part, of course, it does delineate to a degree the position taken between the Liberal Party with respect to local option and our own.

I was very much interested in the remarks of the hon. member for Windsor West and re-echoed by the hon. member for Oshawa. I want to assure you, Mr. Speaker, that the problem of the effects of the abuse of alcoholic spirits are of very great concern to the government.

There is no doubt in my mind that the setting up of the Addiction Research Foundation was a great step forward; they have done an outstanding job which is recognized in a great many quarters.

I do, however, believe that there is much to be done in this area, and I want to give assurance to you, Mr. Speaker, that this is a matter of concern to the government, to myself and of course to the boards. And as we extend certain availability of alcohol, we are always aware of that the greater the availability, it would appear—

Mr. Speaker: Perhaps the hon. minister would allow me to interrupt. May we please have quiet from the children coming into the west gallery. The hon. minister.

Hon. Mr. Yaremko: There are some accepted relationships between the availability of alcohol, the price of alcohol and the consumption of alcohol itself. These are matters which I think are receiving a great deal of study, and I can assure the—

An hon. member: Has the hon. minister not had a chance to look at the report filed this morning and read what the director of ARF says?

Hon. Mr. Yaremko: I assure the hon. member that these matters are of concern to us. With reference to the two points raised by the hon. member for Windsor-Walkerville, the amendment to section 2 of The Liquor Control Act is broad enough that it could cover all types of duty-free shops at airports, at border crossing points, and it will await our experience in this initial store to see what direction we move on from there.

The problem of daylight saving time is a thorny one. We have tried to come to grips with it; we have not yet found a satisfactory solution. Any legislation which is brought into being must of necessity be brought into effect for all of the province. Any restriction to border points just creates difficulty vis-à-vis communities within Ontario.

As is presently the case where there are communities within Ontario which are on standard time vis-à-vis their neighbouring communities which are on daylight saving time, we do not know what the answer to that is.

We did, however, come to the conclusion that to extend the hours for the whole of the province to meet this particular problem is not the solution at the present time. The matter will still be very much in our minds because we are aware of the problems that are created, especially at border crossing points and vis-à-vis our visitors.

Mr. Peacock: Mr. Speaker, would the hon. minister permit a question? Does he agree or not that the setting of prices for alcoholic beverages ought to be more a matter of public health interest than revenue?

Hon. Mr. Yaremko: Mr. Speaker, I am not an expert in the matter. I have seen material and points of view put forth that the pricing of alcoholic beverages could be related to consumption, the same as the availability is related to consumption. I think experience has shown that if we remove the lower-price beverage, people just move up into the higher bracket, perhaps with greater difficulty, but they do move into that area.

Mr. Peacock: That is why the minister keeps raising the prices. People still buy and they still pay.

Hon. Mr. Yaremko: There is, perhaps, a direct relationship between the pricing of all beverages. If you raise the price of one out of balance with the other then there is a shift laterally from beverage to beverage. My conversations with the chairman of the board heretofore, and in the future will be based on the relationship between the use of the pricing mechanism vis-à-vis the experience of the Alcoholism and Drug Addiction Foundation studies.

Mr. Peacock: The conversations should be with the Minister of Health.

Motion agreed to; second reading of the bill.

Mr. Speaker: Shall this bill be ordered for third reading?

Mr. Nixon: Did the other one go to third reading?

Hon. Mr. Yaremko: The other one went to Committee of the Whole. I would be pleased to have this bill go there though, because last night it was determined the other bill would go to the Committee.

Mr. Speaker: They should go together. Committee of the Whole, then.

Agreed to.

Clerk of the House: The fifth order, resuming the adjourned debate on the amendment to the amendment to the motion that this House approve in general the budgetary policy of the government.

ON THE BUDGET

Mr. A. Carruthers (Durham): Mr. Speaker, when I adjourned the debate a few nights ago I was discussing the factors involved in the unemployment situation that we find ourselves in today. I referred, of course, to the actions of the federal government in its anti-inflationary programme, which is one important factor in producing unemployment.

I referred to the fact that the cost of government itself was a factor in creating unemployment. The very large withdrawal from the private sector of moneys which are non-productive has a great bearing on the unemployment situation.

I also referred to the fact that the rapidly growing labour force and its implications have had a bearing also on the unemployment situation. I particularly referred at that time to the rather significant reduction in the number of men unemployed. It was 35,000 lower than last year, December last year; at the same time the number of employed women rose by 9,000. It shows the trend in today's economic society.

I also pointed out, Mr. Speaker, that the greatest unemployment was in the younger group, particularly in the 14-to-19 age group. This, of course, reflects the lack of education to a major degree. Also, the fact

that our cost of production has risen considerably in comparison with other countries—the fact is we have a very large amount of increased imports which are driving many of our own products off the market.

I think this is a very important factor. Certainly, our failure to compete in the markets of the world has been a major contributing factor.

I also referred to the burden of taxation imposed on Canadian citizens in order to provide the costly social programmes which we have in the province and in the country and which is another contributing factor.

I particularly referred, I think, to the corporation tax in the country, and I am pleased to see that the federal administration is taking steps—although over a period of time; there is no guarantee that it will actually become a reality—which will reduce the corporation tax to I believe it is 46 per cent. This brings us more in line with the United States where the tax is 45 per cent.

I think I pointed out the very significant increase in the civil service, particularly in Ottawa. Here is another group in our society which is not in the private sector and which does not produce the jobs that private enterprise in the private field does, and this has been an important factor. The greater that civil service payroll becomes, the greater burden it is going to be on society and it is also going to have an effect on our productivity.

Now I also referred to the fact that strikes have had a very important bearing, and I emphasize the fact that it is time that labour and management got together in his connection in the interests of the nation itself and came to some realization as to what is concerned, as far as our competitive position in world markets is concerned.

Social changes have had their effect, Mr. Speaker. For example the anti-cigarette campaign has affected the united counties of Northumberland and Durham. It was announced a short time ago that 17 farmers in that area did not plant this year, and the result has been a considerable loss of employment; not significant when you take it from the point of view of the province as a whole, but at the local area it does mean that many jobs are lost to many individuals who in the past have depended upon that industry for seasonal employment.

I might also mention—and this is an important but perhaps not a very significant factor, but it tends to show us what is hap-

pening in our society—social legislation. An example of this would be workmen's compensation. We all realize that this is a real necessity; we must have protection for our workers. But the fact remains, and this has been brought to my attention on many occasions by men seeking employment through my assistance, that because of back injury, because of some illness they have had, they are unable to get work, because industry, in a large number of cases today, is requiring a physical examination and at all costs they are going to try to avoid any potential compensation case.

I point this out simply for the fact that it does have a bearing and I would suggest that perhaps people who are incapacitated to a degree should have the opportunity for employment. We have, to a great degree, enabled the older group now to find more job opportunities. But there is a very large group of people who, because of physical disabilities, maybe minor, but disabilities that might lead in the future to more serious physical problems, are denied the right to work because of that condition. I would suggest that the costs, instead of being applied to individual industries as they are now, might be spread over the whole industrial field. This might encourage industry to hire more of these individuals and give them the opportunity for useful work.

The question arises, Mr. Speaker, are we living beyond our means? It is a strange situation, for on the one hand labour has sought and obtained to a major degree—and to a great degree it has been justified—wages considerably higher than in other countries of the world. They based their standard of living on this income. Corporations have enjoyed substantial profits and they base their expansion programmes and development on those profits. And business in general, with certain exceptions, including the small businessman, has all benefitted to a degree from the price increases, but they have had a very serious impact on our employment problem.

In conclusion, may I simply state, Mr. Speaker, that the results of this merry-go-round, shall I call it, has increased unemployment. The resulting costs have been borne to a great extent by the provincial and the municipal governments and by the people in general. It is a burden which is becoming quite excessive and I say, very sincerely, it is time we all studied the factors which are involved in the unemployment situation and not always attack gov-

ernments, regardless of what government it may be. We are all responsible to the degree for the unemployment situation today, so let us see if we cannot do something about it.

Mr. M. Shulman (High Park): When I rose 3½ years ago to give my first budget speech I noticed that I did not have a quorum. Three and one half years have gone by and I still do not have a quorum.

I would like to call a quorum so that I can give my budget speech to at least a minimum of the members of this House.

Mr. H. Peacock (Windsor West): In the absence of the member for Grey-Bruce (Mr. Sargent).

Mr. Shulman: In the absence of the member for Grey-Bruce on both occasions.

Mr. Speaker: We will have a quorum count and I will be pleased to note that at this time, after calling for a quorum, we will be having the member for High Park remain with us.

Mr. A. Carruthers (Durham): That is a pretty good idea.

Mr. G. Ben (Humber): Let us get in our seats.

Mr. Speaker: Will the Clerk now make his count, counting only those members in their own seats?

Clerk of the House: The count is 21.

Mr. Speaker: A quorum being present, the member for High Park may proceed.

Mr. Shulman: Thank you, Mr. Speaker. On this, the last occasion, I am afraid, in which I shall have the pleasure of addressing you, sir, I shall attempt to be as non-provocative as is possible under the circumstances.

Mr. W. Hodgson (York North): Go ahead, we do not mind.

Mr. Shulman: I feel it is sort of a memorable occasion, because in addition to being the last chance which I shall have to address you, I believe it is probably the last chance I will have to address any Legislature from the opposition benches.

Mr. J. Renwick (Riverdale): We will all still be together.

Mr. S. J. Randall (York Mills): He said he was not going to be provocative.

Interjections by hon. members.

Mr. Shulman: I believe I have a reasonable chance of re-election, sir, and if I do manage to eke out High Park riding again, or whatever riding I should happen to run in, and do come back here, I presume that I will be sitting in one of the seats, perhaps the one held by the minister from Sault Ste. Marie (Mr. Wishart), or the one held by the minister from St. George (Mr. A. F. Lawrence). In any case, I shall attempt—

Mr. R. F. Nixon (Leader of the Opposition): Or the one held by the member for Don Mills

Mr. Shulman: When I sit over there, I shall attempt to remember the errors that I have observed over the past four years here and I will do my best not to repeat them.

Today, Mr. Speaker, I would like to speak on a matter of philosophy. I have taken a lesson from the member for Lakeshore (Mr. Lawlor) and I have heard his speeches for four years and I must confess I have been impressed. He uses big words and he speaks in round phrases and each day after he speaks, I leave dazed, impressed, overwhelmed—not quite understanding, but very impressed. Today I would like to follow his lead and I want to discuss a principle of philosophy—and the principle I will discuss is called the Peter principle.

Mr. Randall: Take his speeches to a Chinese laundryman and get them translated.

Mr. Shulman: The hon. member can have them translate this one too.

For those of you who are not aware of the Peter principle, this is a very famous principle which was pronounced just a year ago by a famous Canadian, Dr. Lawrence J. Peter, and the Peter principle says that in every level of business and government, but especially government, every man rises to his own level of incompetence.

In other words, if you do your job competently and well, you will be promoted. Then, if you do that job competently and well, you will be promoted. And you will continue to be promoted until you reach a level at which you are incompetent. And because you are incompetent you will not be promoted from that and you will keep that job forever.

This Peter principle has been proven time and time again to be absolutely valid, it never fails. But looking around the Legislature, which I am doing now, and which I have been doing for four years, I see that the Peter principle, which is that everyone rises

to his own level of incompetence, is carried out here perfectly.

Hon. A. F. Lawrence (Minister of Justice): And the member looks in a mirror now and then.

Mr. Shulman: And I want to give you two examples of how this works.

Mr. W. Hodgson: Does the hon. member get any promotions?

Mr. Shulman: I have here a copy of the Peter principle, as enunciated by Dr. Peter—

Hon. A. F. Lawrence: He should have got promoted out of his job.

Mr. Shulman: The Peter principle reads:

In time, every post tends to be occupied by an employee who is incompetent to carry out his duties.

Hon. A. F. Lawrence: The member is not properly dressed. He should be wearing his dunce cap.

Mr. Shulman: It describes how it works in the Legislature. I would just like to quote this very briefly before we go to specific examples which I see in front of me:

In a political party, competence in one rank is a requisite for promotion to the next. A competent door-to-door canvasser becomes eligible for promotion; he may be allowed to organize a team of canvassers. The ineffective or obnoxious canvasser continues knocking on doors, alienating voters.

A fast envelope stuffer may expect to become captain of an envelope-stuffing team; an incompetent envelope stuffer will remain slowly and awkwardly stuffing envelopes, putting two leaflets in some, none in others, folding the leaflets wrongly, dropping them on the floor, and so on, as long as he stays with the party.

A competent fund raiser may be promoted to the committee which nominates the candidate. Although he was a good beggar, he may not be a competent judge of men as lawmakers and may support an incompetent candidate.

Even if a majority of the nominating committee consists of competent judges of men, it will select a candidate not for his potential wisdom as a legislator, but on his presumed ability to win elections.

In bygone days, when great public meetings decided the results of elections, and when public speaking was a higher art, a

spellbinding orator might hope for nomination by a party and the best orator among the candidates might win the seat. But, of course, the ability to charm, to amuse, to inflame with voice and gesture did not necessarily carry with it the ability to think, to debate and to vote wisely in the nation's business.

With the development of electronic campaigning a party may give its nomination to the man who looks best on TV, but the ability to impress—with the aid of makeup and lighting—an attractive image on a fluorescent screen is no guarantee of competent performance in the legislature.

Many a man, under the old and the new systems, has made the upward step from candidate to legislature, only to achieve his level of incompetence.

The legislature itself is a hierarchy. An elected representative who proves incompetent as a rank-and-file member will obtain no promotion. He will remain a back bencher.

But a competent rank-and-file legislator is eligible for promotion to the cabinet. At this rank, the promotee will probably prove to be incompetent and so he will remain in the cabinet.

If, perchance, the promotee should prove to be competent as a cabinet member he also will be promoted to prime minister where, undoubtedly, he will then reach his level of incompetence.

That is the theory.

Mr. Randall: Now the members opposite know why they have been in the opposition all these years. They have reached the level of their incompetence.

Mr. D. C. MacDonald (York South): Has the member forgotten about Manitoba and Saskatchewan and Middlesex South and Brant? Get up to date.

Mr. Shulman: Actually the hon. member for York South has been promoted. He came in as the leader of two; he then became the leader of six, then the leader of nine and then the leader of 21. He has been promoted constantly.

Mr. MacDonald: And furthermore I am still in the front benches.

Mr. Randall: Now he is on the way down.

Hon. E. A. Winkler (Minister of Revenue): Out he went with a knife in his back.

Mr. Shulman: To give specific examples: Adolph Hitler was a great paperhanger. Unfortunately, he got promoted. He became the leader of a nation and he was very incompetent at that level. Back here in Canada we had a wonderfully competent back-bencher. His name was Diefenbaker. He was tremendously competent. Unfortunately, he was promoted till he reached his level of incompetence, which is Prime Minister.

Hon. A. F. Lawrence: There was a coroner who got elected to the Legislature.

Mr. Shulman: That was a promotion. There are still more promotions to come.

Hon. Mr. Winkler: That was the end.

Mr. Shulman: I am hopeful that my level of incompetence has not yet been reached, but I am also hopeful I will reach that level within the next two or three years. I look to my right, and here we find the great examples of the Peter principle. I can see, for example—well there are not too many to see; at the moment there are only three Liberals here—But, if I think of the Liberal members, I can think of a great hotel worker, hotel owner and businessman who was tremendously competent as a businessman and as a hotel owner in his little town. Because he was so competent, he was promoted to candidate. He was competent as a candidate, so he was promoted and he became a member of the House, where he has reached his level of incompetence and where he will remain forever. He can never go any further.

Hon. A. F. Lawrence: Is that the absentee member who was complaining about attendance in the House?

Mr. Shulman: I believe that is the man.

Mr. Peacock: Just a week ago this morning.

Mr. Shulman: I would like to point to the member for Downsview (Mr. Singer). I must say he was a very competent—

Hon. Mr. Winkler: Very fascinating.

Mr. Shulman: —member of this Legislature. Then, unfortunately, he became promoted to deputy leader and as deputy leader he had to sit in the front beside the member for Brant (Mr. Nixon) and when the member for Brant was not there he had to ask questions in his inimitable way. We discovered, to our embarrassment and to the apparent embarrassment of the Liberal Party and to the

embarrassment of everyone, that he, at that point, had reached his level of incompetence, which is encouraging because we know that he will never become the Leader of the Liberal Party, which is good for the Liberal Party. But he exemplifies the theory.

Now take the member for Brant, there has never been a more competent member of this House. I say this without hesitation—I am glad to give this compliment to the member for Brant. He was a good deputy leader and then he was promoted to become the Leader of the Liberal Party where he has reached his level of incompetence.

Mr. Randall: Bob, stop reading the comics will you.

Mr. Shulman: And this is as high as he will go unfortunately; by the theory, once you reach your level of incompetence you stay there forever.

Mr. Nixon: I prefer to leave it to the electors; I am not going to accept your judgement. I never was deputy leader.

Mr. Shulman: It said in the paper you were.

Mr. Nixon: You better do your research yourself.

An hon. member: He was a good farmer.

Mr. Shulman: Yes, he was also a good farmer, that is why he was promoted to be a candidate.

As I look across to the government benches, of course, the member for—

Mr. Peacock: Are you not going to tell us about Stephen?

Mr. Shulman: I will come to Stephen soon. Yes, Stephen was a very good back-bencher.

Hon. A. F. Lawrence: Period. Mr. What-is-his-name?

Mr. Shulman: As I look at the members across from me, of course, the member for St. Andrew-St. Patrick (Mr. Grossman) is the perfect example of the Peter principle. He was a good member of this Legislature—he was, I must admit reluctantly. I hate to admit it because I was tangling horns with him—he was a competent minister of reform institutions. I did not like everything he did, I did not like a lot of the things he did not do, and we fought constantly; but he did a better job at that than any of his predecessors had ever done.

And then, unfortunately, disaster struck: Because he was competent at the job, he was promoted to be the Minister of Trade and Development, and at that point he finally reached his level of incompetence, and this has become terribly, painfully obvious to all of us here in this House.

Mr. MacDonald: Including the cabinet members.

Mr. Shulman: Yes. The trouble is once you have reached your level of incompetence as a member of the team in the House, this tends to hurt all the other members of the team. So in politics, unlike business, where it can continue for ever, as you reach your level of incompetence ultimately the whole team collapses—even though many of them may still be at their level of competence—which produces changes in government; because of course government changes do not occur because of anything the opposition does, they occur because of the Peter Principle. Government constantly promotes its members until they all reach their level of incompetence.

Hon. A. F. Lawrence: Sounds like the member is uneasy in that team.

Mr. Shulman: We have not had time yet to find out who would have reached their level of incompetence over here, and who have yet room to move.

Hon. A. F. Lawrence: I would not blame you. I want you to know that the other members of your team—

Mr. Shulman: I look across the House and I see the member for Scarborough North (Mr. Wells). He of course is the perfect exponent of the Peter Principle. He was a competent member of the Legislature, he proved a very, very good member of the cabinet without portfolio. He did all the things that a member of the cabinet without portfolio does: he opened bridges, he went to teas. And then disaster struck—he was promoted to Minister of Health, and by mutual agreement, I am sure he would agree with me, at that point he exemplified the Peter Principle and he reached his level of incompetence. Well thank goodness there was a change in government and he was saved. He was moved back down again and we are not sure yet at what point he is in the Peter Principle.

Hon. T. L. Wells (Minister of Social and Family Services): Very competent.

Mr. Peacock: It has not restored you to competence.

Mr. Shulman: But the person that I really wanted to talk about today, the person that I have come in here to talk about, is the Attorney General of this province. The member for St. George, because he—

Mr. C. G. Pilkey (Oshawa): I knew he would get to you.

Mr. Shulman: —and it is not apparent as yet to many people but I hope it will be soon—he is the perfect example of the Peter principle.

Hon. A. F. Lawrence: Another one yet.

Mr. Shulman: Here was a man—and we worked closely together many years ago. We were in the same Conservative organization as I recall it, and I believe we had some commerce at that time.

Mr. MacDonald: Some people are bright enough to move up and out.

Mr. Shulman: He was a Young Conservative and he was very Conservative and he was a very impressive up-and-comer. We fought in the same campaign trying to elect Kelso Roberts as the Prime Minister of this province, the leader of the Conservative Party. What we did not realize at that time was that he had already, as Attorney General, reached his level of incompetence. And so, of course, once you reach your level of incompetence it is impossible to be promoted any further up. We were not aware of that. The Peter principle has not been expounded.

Hon. A. F. Lawrence: Past tense.

Mr. Shulman: But in any case, the member for St. George—he was not the member for St. George then—was a very impressive young man, and because of that he was promoted and became the member for St. George.

An hon. member: A good member.

Mr. Shulman: He was probably the most impressive and intelligent member of the Legislature. Because of that, despite his maverick personality and his independent strain of mind, which he has, despite these qualities—and these are qualities that usually keep a man out of the cabinet, but despite these qualities the member for St. George ultimately—

Hon. A. F. Lawrence: How does the member know?

Mr. Shulman: —and finally became promoted and became the Minister of Mines

and the Minister of Northern Affairs, at both of which jobs he appeared to be very competent. I am going to have some comments about that a little later. We have some evidence before us today that perhaps he was not as competent as we all believed. In any case, he was relatively competent and as a result of that he was promoted. He tried to get a little above his level of competence, but in any case at the present time he was promoted and has become the Attorney General of this province.

Mr. Peacock: Good point. The member will be leader in the next election.

Mr. Shulman: And at this point, although no one else may be aware of it, the minister has reached his level of incompetence and there is no way that he is going to go any further. I would like to detail, at some length—

Mr. MacDonald: Why?

Mr. Shulman: —the evidence of his incompetence, because I truly believe that if there is any man in this House who has been put in a position above his capabilities he is the member for St. George.

When the member for St. George came in, I was very pleased that he was Attorney General. His was one of the two promotions that excited and pleased us. He and the new Minister of Health (Mr. A. B. R. Lawrence) came in like a new wave. The men who had held both of their jobs before had obviously reached their level of incompetence—the Attorneys General going back for a number of years—the Ministers of Health going back even further. We have not had a competent Minister of Health since prior to the days of Mackinnon Phillips. As far as Attorneys General go, I look back on the late lamented previous Attorneys General.

Mr. R. G. Hodgson (Victoria-Haliburton): Do they ever ask the member to come back and speak a second time any place?

Mr. Shulman: Would the member speak louder? I cannot hear the interjection.

Mr. R. G. Hodgson: I asked if they ever ask the member to come back and speak a second time any place?

Mr. Shulman: Yes, I believe the Conservative organization in Oakville has asked me several times.

Hon. Mr. Wells: If the member got \$1,000.

Mr. Shulman: We will come to that very shortly.

An hon. member: Have you ever asked him to come back after he has spoken?

Another hon. member: That was the worst speech he ever made.

Mr. Shulman: Yes, they are happy to pay me \$1,000 to speak. How much is the member for Scarborough North paid to speak?

Hon. Mr. Wells: I speak for nothing.

Mr. Shulman: I know, and that is what it is worth.

Mr. MacDonald: The minister walked into that one.

Hon. Mr. Wells: I get invited back.

Mr. Ben: I guess the minister does not eat much.

Mr. Shulman: When the member for St. George became the Attorney General, we were very pleased. We were excited. We thought, "Here is a man who is really interested. He will see that justice is brought in." It is a big job. Nobody denies it is a big job. I used to be very friendly with the man who was the Attorney General (Mr. Price) of this province back in 1931. I can very well remember him saying to me: "Morton, I know that you are going to go into politics. Let me give you one piece of advice. Do not become Attorney General. That is the graveyard of all political hopes."

Mr. Peacock: How old was the member then?

Mr. Shulman: I was 26.

Mr. Peacock: I thought perhaps you were at his knee.

Mr. Shulman: And he said: "Never has a man gone into politics and become an Attorney General and ever proceeded further. It is the end. It is too big a job for any man who has ever come into politics."

We thought perhaps when the member for St. George got the job there would be an exception. Sad to say there has been no exception. When he first came in, he said he was willing to listen. I remember we brought up this new bill that was drawn up by Conservatives, Liberals and NDPers, the compensation for the innocent bill—

Mr. Randall: Is the hon. member going to be the next Attorney General?

Mr. Shulman: His first reaction was, "Yes, I will look at it. Yes I will listen." You know, I thought, God, here is a man with an open mind. We are going to have good things happen in the Attorney General's department. And he kept his open mind for about three weeks. Then we watched him gradually go downhill since then, and I think he reached the apogee of his fall on May 7 of this year. At that time I asked the minister several questions in the House, and his answers were quite interesting. I just wish to read them into the record before I go on to new matters involving the Attorney General; this is on May 7, page 1335:

Mr. Shulman: Mr. Speaker, a question of the Attorney General: In view of the fact that Mr. Reford Francotie was found not guilty at his trial yesterday, is there any way that the Attorney General or the government can extend some compensation to this man for the 10 days which he served in jail?

Hon. A. F. Lawrence: No, not that I am aware of, Mr. Speaker.

Mr. Shulman: Would the Attorney General agree that there should perhaps be a change in policy so that this type of case will be compensated in future?

Hon. A. F. Lawrence: No, I am not willing to agree to a blanket general endorsement such as that.

Mr. Shulman: I am sorry the Attorney General does not feel that people who are punished unfairly should be compensated.

Mr. Shulman: I have a new question of the Attorney General, Mr. Speaker. What steps is the department or the government taking about those persons who have lost large sums of money as a result of embezzlement by lawyers? I am referring specifically to the Sidney Caplan case where \$556,000 was embezzled, and in which the Law Society is unable to make compensation because its regulations allow compensation only to a maximum of \$50,000 per lawyer.

Hon. A. F. Lawrence: I will have to take that as notice, but may I do so on my understanding at the moment that we are doing nothing about that and, if there is any change, I will certainly take it as notice and report back to the House.

Mr. Shulman: As a supplementary, if I may, Mr. Speaker, would the Attorney General agree with me that in future the government should change its policy so that this type of case will be compensated in future?

Hon. A. F. Lawrence: No, I would not agree to that.

Mr. Shulman: I have a further question of the Attorney General, Mr. Speaker. In view of the many requests from the police of Toronto that the detoxification centre which was shut by the Conservative government be opened up again, what steps is the Attorney General's department taking to make sure that this is done?

Hon. A. F. Lawrence: If the hon. member had been here earlier this week, he would have heard that I indicated this matter is under very active consideration.

Mr. Shulman: I am delighted, Mr. Speaker. What is being done?

Hon. A. F. Lawrence: I indicated that it is being very actively considered and policy will be announced here in due course at the proper time.

Mr. Shulman: I have a further question of the Attorney General—my final question, Mr. Speaker. Has the Attorney General decided to order a new inquest in the North Bay case in which the coroner permitted his brother to act for one of the interested parties?

Hon. A. F. Lawrence: No.

Mr. Shulman: Is that the policy of the Attorney General?

Hon. A. F. Lawrence: That is the policy in this case, yes.

That is the end of the exchange, Mr. Speaker.

Mr. Randall: Point of order, Mr. Speaker. The hon. member would not speak because we did not have a quorum. I notice only three members of the NDP Party. Do you not think we should summon a quorum?

Mr. Shulman: We still have a quorum, do we not?

Mr. Speaker: I believe we have a quorum.

Mr. Randall: I do not believe we have.

Mr. W. Hodgson: The NDP has only two members.

Mr. Nixon: Two of the member's supporters to listen.

Mr. Shulman: Mr. Speaker, may I put this on the record. My colleagues, who I believe take some pleasure in hearing my speeches, have had the pleasure of hearing this in advance. It is only for the member for Don Mills and his colleagues, who have not had the opportunity of hearing this wisdom, that I am going to the trouble of repeating it.

Mr. Randall: I think it is so good that the member's own people should listen to it.

Hon. A. F. Lawrence: I do not blame them for reading the hon. member's speeches in advance.

Mr. Shulman: I was somewhat disillusioned, Mr. Speaker, by the answers given by the Attorney General, but I had not completely given up hope at that point. However, there have been several further incidents which complete the picture which I have now formed of the views of the Attorney General as to justice and the administration of same in this province.

On May 10 of this year, I received certain documents from the Windsor police department which I took to the Attorney General. These documents—and I have the originals here—are labelled "Prosecutor's Report," and what they are in effect are two prosecutor's reports, one filled out on May 3, 1971; the other filled out on May 6, 1971, which in-

volves shoplifting in the Woolco department store in Windsor.

On May 3, 1971, a 16-year-old boy was arrested in the Woolco store in Windsor for shoplifting a \$4 belt. The police were called; a constable arrived. I do not know if his name is of any interest, I can find it on the report here somewhere. In any case, a constable arrived from the Windsor police department. The lad was charged with stealing a \$4 belt by the store, and that is the policy in Windsor. The store lays the charges and the police carry out the arrest and prosecute it, and it is noted on the back of this prosecutor's report: "Police called and responded. Boy charged. Summons returned May 18, 1971."

By some chance, exactly three days later, a young girl—I am not going to use her name—a 16-year-old girl was arrested in the same store, having shoplifted to the extent of \$15.25. The same police officer, by chance, responded from the police department, but no charge was laid, and there is written across the bottom of the report the name of a certain official and then: "So-and-so's daughter. Charges not pressed or laid. Initialled J.W.P."

The reason those charges were not laid in this case—and it is exactly the same case, the same store, the same police officer—is that the security officer in charge of the store was called in after the girl had been apprehended and said, "I have just received a phone call from city hall. It would be best for us if we do not proceed with these charges."

I took this evidence over to the Attorney General and he said, "That upsets me just as much as it upsets you. I do not approve of this sort of thing. I am certainly going to look into this." Two weeks went by and I did not hear anything more from the Attorney General, but I did get a phone call from a reporter in Windsor who said, "The Crown attorney down here has issued a statement on the basis of the complaint that you made to the Attorney General."

Let me say I made that complaint only to the Attorney General and told no one else about it. His department leaks like a sieve.

Finally, I went back to the Attorney General and said, "How come the press know all about the investigation and you do not?" He said, "I have not received a report yet but I will inquire." He came back to me and said, "There is really nothing I

can do because in these cases charges are not laid by the police department. The charges are laid by the stores and they decided in this case not to lay the charges, so there is really nothing wrong."

I said, "Should you not be asking the question who phoned from city hall saying that charges should not be laid?" He said, "Yes, I will ask that question. I wish I had thought of that."

A few days went by, and I went over and asked him again and he said, "Yes, I did find out and there was no undue pressure put on by anyone except the father of the girl." It is true, he did phone the store and he certainly phoned everybody else in the administration of justice in the Windsor area. The Attorney General said, "Look, what can I do? It is not as though it was the chief of police who phoned down and said not to prosecute. It was just her father."

He said, "I do not really see that there is any action that I can take." And no action was taken. It did not enter his mind at any time that perhaps the administration of justice in Windsor should be the same for a boy, without connections, who steals \$4, as it is for a girl, with connections, who steals \$16. It is the same situation.

It never entered his mind that perhaps the police should lay charges in this case and no charges were laid and he did not do anything. He said "I really do not see that I can do anything." So we go on in the same way. If you have connections, if you are wealthy in this province, it does not matter who the Conservative Attorney General is. If you know how to make the right phone calls you do not get charged.

If, on the other hand, you do not have connections, if you are not wealthy, then the administration of justice will follow its proper course. It is not just in the field of the administration of justice and the police that the Attorney General has failed us.

The case that I think upsets me most that has come up since I have been the Attorney General's critic is that of a woman by the name of Elizabeth Pesch. She died on April 26, 1971. There has been a great upset in the Oakville area about this case because, for reasons which we have been unable to determine, the Attorney General and the coroner's office have refused to hold an inquest.

I have here an editorial dated Wednesday, May 12, 1971, in the Daily Journal-Record, which is headed "Inquest is Needed." It is

a very lengthy editorial and I do not want to read the whole thing, but I am going to read a brief part of it because they start at the bottom half of the inquest and they say:

Here are some items which we think could be explored during an inquest into this particular death:

Was Mrs. Pesch released from the Oakville-Trafalgar Memorial Hospital in a condition which left her with little ability to control her actions, specifically, little ability to control a cigarette which apparently started the fire in which she died?

Mrs. Pesch had been taken to Oakville-Trafalgar Memorial Hospital for emergency treatment of head lacerations earlier that morning. She was released. Soon after she returned to the Ontario Street apartment, the fire started.

What minimum examination should be required, what precautions can be taken at the emergency section of the hospital to ensure a patient is capable of taking care of herself upon being released? If the fire, and Mrs. Pesch's death, was due to her inability to function properly, this could be a factor.

Was there anything deficient in the construction and/or materials either of the apartment building or the furnishings within the apartment which may have led to a fire which some of the observers called extremely intense, considering the short span of time the fire was estimated to be burning? Damage to the hallway and other rooms did occur, despite apparently quick work by the fire department.

The idea here is somewhat comparable to examining the construction of the brand of automobile, the quality of construction and design of the road, etc., after a fatal road accident.

Would the requirement for number and placement of fire extinguishers be found lacking if the case was studied to see what the time lapse was between alarm and arrival of a tenant with a fire extinguisher? Could it have been a shorter time lapse? The fire was burning with such intensity by the time the tenant arrived that he felt it would do no good to use it.

These are all items which could very well be explained quietly and reasonably. We hope we do not appear to be blowing horns needlessly. We feel an inquest into

this fire could turn up something of value, perhaps a recommendation which could help prevent a similar death in the future.

We urge you to order an inquest.

If ever there was a case that called for an inquest it is the Pesch death. If we determined one thing in these years of aggravation in fighting through the coroner's office, it was that the purpose of inquests is to satisfy the public as to what happened, first of all, but more important to bring out recommendations to prevent similar deaths in the future.

I wrote to the Attorney General. I was a little disillusioned the way he had handled the Arnold case, in which the coroner allowed his brother, a lawyer, to act for the firm that was involved, but I had not given up hope completely. On June 7—I am sorry, I wrote him earlier—on May 14 I rose in the House and asked him whether an inquest would be held. On June 3 he replied no to me, and the final paragraph of his letter which apparently pretty well sums it up states:

The officials have satisfied themselves that the in-hospital care was correct; that it is also clear as to the cause of Mrs. Pesch's death, and that for this reason there is no useful purpose to be served by the holding of an inquest in this case.

Yours very truly,

A. F. Lawrence,
Minister of Justice and
Attorney General.

Those words strike me. The officials have satisfied themselves. We are right back to Smirle Lawson days when the officials satisfied themselves and the public be damned. The minister uses different words. He says they have no right to know.

I still thought perhaps one of his staff had written this letter and he had just signed it without knowing what he had signed, so I wrote him back on June 7.

Dear Mr. Minister:

To say I am bitterly disappointed by your letter of June 3 is an understatement. May I refer you once again to the Oakville Daily Journal-Record editorial May 12 which raised some half dozen points of anxiety to the people of Oakville and of which your letter answered only one.

Surely it is not enough to say officials have satisfied themselves. It has been my experience that all too often officials are not always correct.

I request that you reconsider your decision.

Yours sincerely,
Morton Shulman.

And he replied to me again. His letter is dated June 17 and I quote it:

Re: Mrs. Elizabeth Pesch

Dear Morty:

I acknowledge receipt of your letter of June 7 in which you refer to my letter to you of June 3 related to the death of Mrs. Elizabeth Pesch.

This letter was reviewed as a result of your request and there would appear to be no reason for considering this matter further unless there is additional evidence which has not been considered by the police and the investigating coroner.

There has been no suggestion that there are in existence facts which have often been considered by the authorities and I am therefore considering this matter closed.

Yours very truly,
Allan F. Lawrence,
Minister of Justice and
Attorney General.

Mr. Peacock: He has not been addressed like that before by any member of that government.

Hon. A. F. Lawrence: We do it all the time.

Mr. Shulman: The Attorney General did not take very long to learn from his predecessor how to close one's mind.

He is satisfied. The officials are satisfied. The only people who are not satisfied are the thousands of people who live in Oakville who have heard the case, who have read the case, and the press in Oakville who know there are some questions that have not been answered, or if they have been answered, nobody has told them what the answers are.

What happened here? Could we do things to prevent a similar death? The minister apparently does not care. He is not willing to look into it. God knows why.

I will tell you why. It is not that he has looked into it. It is because somewhere lower down in his department some damn fool has made the wrong decision and he has fallen into the Tory trap. When someone in a department makes a decision you back him up all the way, right or wrong. That is the trap his predecessor fell into. It is the trap

that so many of the ministers fall into. There is only one minister who has not fallen into that trap and that is why he has not had trouble yet, and that is the Minister of Health (Mr. A. B. R. Lawrence).

He is the only one of the bunch of you with an open mind—and perhaps the Minister of Labour there (Mr. Carton); there has not been time to find out about him. He is the only one. All right.

That, unfortunately, is not the sum and substance of it. There are many more. In Oakville particularly there have been complaints in the press about the way the courts are run.

I have here an article dated just June 12 complaining bitterly of the way the procedures of the small claims court are done. It is headed: "A Judge Under Attack." And yet they have already given up in Oakville because their complaints are not being listened to. The lawyers are complaining. The papers are complaining. The people who go into that court are complaining, but nothing is being done.

I have another complaint about the gun licences that are issued in this province. I asked the minister about that in the House weeks ago; nothing has been done. We still have—how many thousand, let me see—10,227 permits issued in the year 1969; 10,227 permits to carry concealed weapons issued by the registrar of the Ontario Provincial Police in 1969, and he does not issue them all.

Why in the world do that number of people have to carry concealed guns in this province? Surely there are not that many who are having their lives threatened?

We have the problem of organized crime which his predecessor refused to face. The police commission has recommended and recommended and recommended that a royal commission be held into this problem. The minister—I asked him—has refused again. The police commission is ready. They have the material all prepared. He will not do it.

The minister has been a failure as the Attorney General, but there came into my hands—

Hon. A. F. Lawrence: That is not true.

Mr. Shulman: He is a failure all right. He has proven the Peter principle. He has risen to his level of incompetence.

A failure he has been, but never before have I had occasion to believe that he was dishonest. But today, material has come into

my hands which really causes me great dismay.

I have here a letter, signed by the Attorney General, dated September 17, 1970. It was handed to me by the member for Sudbury East (Mr. Martel). It is addressed to the United Steelworkers of America, of Sudbury, Ontario. And it is in reply to correspondence that was sent to him and I want to read the last paragraph in this letter, because this is a very interesting paragraph.

In respect of the latest reference in your letter concerning my commitments with the company, the accusation is so ridiculous, no comment is necessary.

And now, I want to read you his letter, line by line, and I want to compare it with a confidential memorandum which I have in front of me, prepared by the International Nickel Company of Canada, and I will read it, line by line. Starting on page 1 of the letter, signed by the Attorney General. The first sentence is:

Due to the nature of roasting and smelting operations and despite thorough and continuing maintenance procedures, conditions involving high SO₂ readings do occur from time to time in areas of the roaster building.

The first line in a confidential memorandum prepared by the International Nickel Company reads:

Due to the nature of roasting and smelting operations, and despite thorough and continuing maintenance procedures, conditions involving high SO₂ readings do occur from time to time in the areas of our roaster building.

The next line reads as follows—

Mr. S. Lewis (Scarborough West): A great independent example. Talk about being in the arms of Incol

Hon. A. F. Lawrence: I have even used Mr. Falkowski's—

Mr. Lewis: Sure you have. Talk about mine safety.

Mr. Shulman: The next sentence of his letter reads as follows—

Hon. A. F. Lawrence: Was it wrong?

Mr. Shulman: Yes.

Mr. Lewis: Who knows? Who will ever know?

Mr. Shulman: How would the minister know when he is using their handouts as his material?

Hon. A. F. Lawrence: I was using all three—

Mr. Shulman: Next sentence:

As the process is continuous and is not amenable to frequent starting and stopping without the danger of damage to installations, it is necessary to keep equipment operating, despite these conditions.

Second sentence in the confidential memorandum reads as follows:

As the process is continuous and is not amenable to frequent starting and stopping without danger of damage to installations, it is necessary to keep equipment operating despite the conditions.

Third sentence in the hon. Attorney General's letter:

The occurrence of these conditions is not continuous, however, despite claims to the contrary and this is indicated in readings obtained today by our SO₂ monitor.

Third sentence in the International Nickel report:

The occurrence of these conditions is not continuous, however, despite claims to the contrary, and we feel that this will be evident when the readings obtained by the department monitor become available.

Mr. MacDonald: Charlie McCarthy!

Mr. Shulman: Fourth sentence—and we are now into the second paragraph of the Attorney General's letter.

Mr. MacDonald: Just an echo.

Mr. Shulman: The fourth sentence:

This company's policy, as previously stated, is that none of its employees is required or permitted to work in an atmosphere which might be dangerous to his health, without adequate protection.

The confidential memorandum reads:

Company policy is that none of its employees is required or permitted to work in an atmosphere which might be dangerous to his health without adequate protection.

Mr. Peacock: Changed one word this time.

Mr. Shulman: Second sentence in this paragraph of the Attorney General's—

Mr. Peacock: Did the minister not say, "I was advised"?

Mr. Lewis: The minister really took that job seriously.

Mr. Shulman: The second sentence:

In keeping with this policy, the following action is taken when a high SO₂ condition occurs.

Second sentence of the confidential memorandum from International Nickel:

In keeping with this policy, the following action is taken when a high SO₂ condition occurs.

Next sentence from the Attorney General's letter:

(1) The source is located and all practical preventive measures are taken as quickly as possible to stop the escape of SO₂ or provide extra ventilation to the disperser.

In the confidential memorandum:

(1) The source is located and all practical preventative measures are taken as quickly as possible to stop the escape of SO₂ or provide extra ventilation to disperser.

I continue, the Attorney General's letter:

(2) Every man is provided with the best procurable approved respirator and encouraged to use it.

From the confidential memorandum:

Every man is provided with the best procurable approved respirator and encouraged to use it.

From the Attorney General—

Mr. Lewis: The minister is a front man for the industry.

Hon. A. F. Lawrence: The request of me was, what is the company doing about it.

Mr. Peacock: Could the minister not have said he was advised?

Mr. Shulman: The Attorney General:

These respirators give adequate protection to the respiratory system in any concentration of SO₂ which might be encountered in the operation.

Hon. A. F. Lawrence: Then he blames me, denigrating the words of my officials.

Mr. Shulman: The confidential memorandum reads:

These respirators give adequate protection to the respiratory system in any concentra-

tion of SO₂ which might be encountered in the operation.

He goes on like this for three pages and I will not take the time now. There is not a word except that where they say "we," he changed it to "company." That is the only change. He has not done any investigation.

Hon. A. F. Lawrence: No. There are other changes. The member is wrong.

Mr. Shulman: I am wrong? Then I will read it. I will read the rest of it then.

Hon. A. F. Lawrence: Read the part where they say that the department's monitors do it.

Mr. Shulman: All right. I will leave nothing out.

Hon. A. F. Lawrence: The member has already read it.

Mr. Shulman: From the Attorney General's letter:

(3) When an SO₂ condition is severe or prolonged the men are given adequate relief to enable them to get out of the uncomfortable condition to fresh air.

From the confidential memorandum:

(3) When an SO₂ condition is severe or prolonged the men are given adequate relief to enable them to get out of the uncomfortable conditions to fresh air.

Mr. MacDonald: Did the minister never question Inco throughout his entire tenancy? He never questioned; he just threw himself at their feet.

Mr. Shulman: He goes on in his letter: All the employees mentioned—

Mr. MacDonald: Did his colleagues question the size of the political contribution they made?

Hon. A. F. Lawrence: Did they what?

Mr. MacDonald: Question the size of the political contribution they made?

Hon. A. F. Lawrence: I question political contributions!

Mr. Lewis: The minister is ahead of his 12-man fund-raising machine. Macaulay, I think you know him, is up at Inco today.

Mr. Shulman: The Attorney General goes on in his letter:

All the employees mentioned in the complaints were interviewed. Most of these

complainants appeared satisfied with their treatment, with one or two exceptions the following consensus emerged.

From the confidential memorandum:

All the employees mentioned in the complaints were interviewed in your presence. Most of these—

Hon. A. F. Lawrence: But there is a change.

Mr. Shulman: Quoting:

—complainants appeared satisfied with their treatment. With one or two exceptions the following general opinions emerged:

“In your presence,” of course, does not refer to the Attorney General, it refers to Mr. E. B. Wright, P.Eng. From the Attorney General’s letter:

1. There has been a notable improvement in SO₂ conditions in the area concerned and this is continuing due to repairs and renovations to the building and installations that have been and are being made.

From the confidential memorandum:

There has been a notable improvement in SO₂ conditions in the area concerned and this is continuing due to repairs and renovations to the building and installations which have been and are being made.

From the Attorney General’s letter:

Steps are taken to remedy uncomfortable conditions promptly as they arise.

From the confidential memorandum:

Steps are taken to remedy uncomfortable conditions promptly as they arise.

From the Attorney General’s letter:

2. The respirators provided give us satisfactory protection and no trouble is encountered in obtaining adjustment or changes to suit the comfort of individual employee.

Employees is spelled wrongly—it says “to suit the comfort of individual employee.” But now, here we have from the confidential memorandum:

The respirators provided give satisfactory protection and no trouble is encountered in obtaining adjustments or changes to suit the comfort of individual employee.

—also misspelled by some coincidence.

Mr. Speaker: Order! The hon. member for High Park was quite properly following standing rule 16 when he declined to read further. The mere fact that the minister invited him to, does not allow us to read unnecessarily and at great length from documents, and I would rule that the hon. member is entering into an unnecessary length of reading from documents.

Mr. MacDonald: I think the case is made. We need read no further from it.

Mr. Shulman: I need read no further from it. I do not want to—

Mr. Speaker: Mr. Speaker’s point was that the hon. member had followed the rules.

Mr. Shulman: I accept the ruling.

Hon. A. F. Lawrence: No, I did not invite him to. I was merely pointing out that there were changes. He was misleading the House in indicating that there were no changes.

Mr. Shulman: I would not want the House to think that the Attorney General just copied their letter and sent it on to the union, because he did add a contribution of his own. And I want to read the important part of that contribution again, in case the significance of it was missed by any member of the House. Let me quote from the last paragraph of the Attorney General’s letter—and this is not in a confidential memorandum, may I say:

In respect of the latest reference in your letter concerning my commitment with the company, the accusation is so ridiculous no comment is necessary.

Mr. Lewis: You are right. Believe me that is very—

Mr. MacDonald: No comment was certainly safer in light of subsequent events.

Hon. A. F. Lawrence: They wanted to know what the company was doing, so I told them.

Mr. Lewis: He certainly reported it faithfully.

Mr. Peacock: But civil servants do that every day, we know.

Hon. A. F. Lawrence: Some uncivil servants.

Mr. Shulman: I just wanted to point out to the Attorney General this was a great new

wave that went into northern Ontario to help the people up there to bring in great improvements. We did not know he was in the pocket of the company the whole time. We really believed the propaganda that came out of the north. Well, I do not believe it anymore, Mr. Attorney General.

Hon. A. F. Lawrence: Well, is this the member's basis for claiming that I was dishonest?

Mr. Shulman: You were dishonest.

Hon. A. F. Lawrence: Is this your basis of—

Mr. Shulman: This is the basis.

Hon. A. F. Lawrence: Well, then, Mr. Speaker, I would ask the hon. member to retract any imputation made on the floor of this House that I was dishonest. That grieves me very, very sincerely.

Mr. Peacock: Editorially you were.

Mr. Speaker: Well, I think that previously there was no such imputation. The member had made some reference to dishonesty. But his answer to the minister's question now indicates that and I would ask him to withdraw it because it is out of order by the rules of the House.

Mr. Shulman: Well, sir, the imputation I made was that to use the company's material as his own is dishonest. If it is against the rules, I will withdraw it.

Mr. Lewis: On a point of order. It is not against the rules to suggest that the use of the company's material as though it were your own is dishonest. That is not imputing; it does not mean that you were dishonest because of the use of the material.

Hon. A. F. Lawrence: There was no imputation that that was my material. The request was "What is the company doing about it?" and that is exactly what I have indicated. And for the hon. member and for his leader to come in here and indicate that any hon. member of this House—any hon. member, whether he is a cabinet minister or not—is dishonest, is pretty darn despicable. And I ask now, both the leader of the party, who hopefully is a little more responsible than his back-bencher, I would ask him to withdraw that imputation that I am dishonest, as well.

Mr. Lewis: No, you do not have to withdraw that. On a point of order, Mr. Speaker,

all I have said is that the minister may draw his own conclusions, and if the cap fits he will wear it, I guess. When material is used directly from a company's file as part of the minister's reply without any indication at all that it is totally the material of the company, without attribution, well, I do not know what you call it. If the word "dishonest" offends him then I will let him find a better one.

Hon. A. F. Lawrence: I am merely asking, sir, that the imputation that I was dishonest—which I think is clearly against the rules of this House—be withdrawn by the hon. member and by his leader.

Mr. Speaker: Yes.

Mr. MacDonald: Mr. Speaker, on a point of order, before you rule on it, I have a distinct recollection that one of the main thrusts of this minister's argument when he held the mines portfolio was that he was going to establish the inspection staff of his department on a basis of integrity—that they were independent. And we now have conclusive evidence that his replies to the union involved, when they inquired about certain conditions, were an unedited regurgitation of the secret memorandum of Inco.

Mr. Lewis: Exactly.

Mr. MacDonald: Now, quite frankly—

Mr. Lewis: Of the company.

Mr. MacDonald: —I do not know whether "dishonest" is the appropriate description of that, but I can think of a number of other—

Hon. A. F. Lawrence: Well, withdraw it if you do not know.

Mr. MacDonald: I do not know, but I can think of a number of others, Mr. Speaker—

Hon. A. F. Lawrence: Because that is a serious allegation to make.

Mr. MacDonald: —who have raised questions as to the integrity of the operation of the department and the minister, the independent integrity. Now if the minister likes that better than "dishonest" let the one be withdrawn and we will make the other.

Hon. A. F. Lawrence: All right then, withdraw it if you have any scruples at all.

Mr. Lewis: I will accept "questioning his independent integrity" as a substitute for "dishonest." If that is okay then I will accept it.

Hon. A. F. Lawrence: All right, because "dishonest" is a pretty sneering, nasty word. And come off it. All right, the member for Scarborough West may not have any reputation that he wants preserved, but I do. And I do not think people are elected to the Legislature to have to put up with the sneering comment of the hon. member who now has the honour to lead his party, or the sneering individual behind him either.

Mr. MacDonald: We finally got to you.

Hon. A. F. Lawrence: So withdraw, that is all I am asking him.

Mr. Lewis: By way of a point of order, the House does not have to put up with direct contradictions of what the minister declares to be his policy from his own mouth and letters which are read into this Legislature.

Mr. Speaker: Order!

Hon. A. F. Lawrence: That is not direct contradiction.

Mr. Speaker: Order!

Mr. MacDonald: It is a contradiction. The Attorney General says he was independent.

Mr. Lewis: The Attorney General is dependent on the integrity of his department.

Mr. Speaker: Order! Now there has been sufficient discussion of this matter and standing rule 16, to which I refer again, expressly states that these matters such as we have originally raised are out of order. I believe that the member and the minister have accepted the alternative wording which apparently suits the wishes of the members on the other side of the House.

Hon. A. F. Lawrence: Well, sir, with all due respect, from the hon. member who originally made the imputation that I was dishonest, I have not had—

Mr. Speaker: I have not come to that yet. The members on the other side have apparently accepted the alternative wording, as has the minister, and if that is so then I would ask that the members in the third party withdraw the allegation—

Mr. MacDonald: Call us the New Democratic Party instead of the derogatory description of "third party."

Mr. Speaker: The New Democratic Party—and it is quite satisfactory to me—restore a little decorum to the House again by follow-

ing the rules and withdrawing the dishonesty imputation.

Mr. Shulman: I withdraw the word, sir, if it is against the rules.

Mr. Ben: On a point of order, Mr. Speaker, I have been sitting back here—I was not going to participate while these two parties were throwing sticks and stones at each other—but the hon. member for High Park had the courtesy to show me the correspondence that he is quoting. I am afraid that the hon. member for High Park did not read into it what the hon. leader of the NDP and the former leader have made of this.

Mr. MacDonald: The minister has not objected to what we read there.

Mr. Ben: Just a minute, as I gather, from what the hon. member for High Park showed me, the one letter was dated in July and was an open letter which was addressed to the mining engineer of The Department of Mines.

Mr. Shulman: It was marked "confidential."

Mr. Ben: It was addressed to The Department of Mines. I did not see the word "confidential" on it.

Hon. A. F. Lawrence: I did not see it; I could not tell you.

Mr. Ben: The second letter was the one from the minister to Mr. Falkowski. Obviously what must have happened is that the hon. minister wrote to the engineer and said, "This question has been raised in the House; get me answers for it." He wrote to Inco. Inco wrote him an answer back. The engineer wrote to the minister and the minister wrote to Falkowski.

Mr. MacDonald: Why does the hon. member not join the minister's staff?

Mr. Ben: All right, but when they start casting innuendoes at each other—both the hon. minister against the people on this side and the people on this side against the hon. minister—then I must take objection to it, because it reflects on every member of this House—

Hon. A. F. Lawrence: I am not casting innuendoes. I have not even had the courtesy of being shown the material.

Mr. Ben: —so I think all of them should speak more or less to the record. I do not think there was anything confidential about that letter. The minister was guilty of plagiarism, but he was guilty of plagiarism of what the engineer obviously wrote to him, so let us not throw mud around this place because we are all going to get splattered with it.

Hon. Mr. Winkler: All morning all we have listened to is character assassination.

Mr. Shulman: I think plagiarism is perhaps a more serious accusation. In any case, I did not come here either to praise or criticize the minister, I came here to bury him.

Mr. Speaker: We are getting close to the adjournment. Would the member so time his remarks so at an appropriate time he will move the adjournment of the debate?

Hon. Mr. Winkler: Did he withdraw?

Mr. MacDonald: Sure he did. Where was the minister?

Mr. Lewis: We accepted.

Mr. MacDonald: The minister is no longer the hatchet man up in Ottawa.

Hon. Mr. Winkler: No, I am not the one behind the member—real character assassination.

Mr. MacDonald: There are a lot of characters over there to be assassinated with their own evidence. The member talks like Thatcher.

Hon. A. F. Lawrence: The member talks like the old Donald MacDonald.

Mr. Shulman: The major reason I read this into the record—I had not seen it before today quite frankly—was because it added a punctuation to the comments I made earlier. Basically my criticism of the Attorney General are not what he did or did not do as the Minister of Mines; my criticism of the Attorney General is the fact that he has been a failure as the Attorney General. We need a man of broad vision; we need a man of humility, kindness, gentleness—all of which we expected from him, and he has failed us. This is a bitter disappointment to me, because this is the department which is of the greatest interest to me; this is the department which in effect brought me into politics. I had hoped his actions as Attorney General

would have allowed me to leave politics with honour. He has failed me.

Hon. A. F. Lawrence: I will just help the member leave politics then.

Mr. Shulman: If the minister had been able to do in The Department of the Attorney General what his colleague has done in The Department of Health, I would feel no further need to be in this House, because this is where the two grave deficiencies were. We still have one grave deficiency. He is the big disappointment of the House.

Hon. A. F. Lawrence: Oh now, do not blame me for keeping the member here, please! I have enough of a burden to carry.

Mr. Shulman: Mr. Speaker, I had not intended to do any campaigning in this campaign outside of my own riding of High Park, but I have decided to make a change. I am going to make a great effort to see that we have a very special candidate in the riding of St. George who can win that riding, and I am going to spend a great deal of time personally in that riding and no other riding other than my own to make sure that after the next election, regardless of who forms the government—I suspect it will probably be us, for good or for bad—regardless of who it is, that—

Interjections by hon. members.

Mr. Shulman: —regardless of who it is, we will have an Attorney General who will give us the qualities that are necessary for the proper administration of justice in this province.

It is the proper time for me to move the adjournment of the debate, and I will do so.

Mr. Shulman moves the adjournment of the debate.

Motion agreed to.

Mr. Lewis: Mr. Speaker, the minister will know the candidate in St. George in about 48 hours, and he is going to run all the way.

Hon. A. F. Lawrence: I already know.

Mr. Peacock: He will not be from High Park.

Hon. Mr. Winkler moves the adjournment of the House.

Motion agreed to.

The House adjourned at 12:55 o'clock, p.m.

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ONTARIO

Legislature of Ontario Debates

OFFICIAL REPORT — DAILY EDITION

Fourth Session of the Twenty-Eighth Legislature

Monday, June 28, 1971

Afternoon Session

Speaker: Honourable Fred McIntosh Cass, Q.C.

Clerk: Roderick Lewis, Q.C.

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of this issue.)

LEGISLATIVE ASSEMBLY OF ONTARIO

MONDAY, JUNE 28, 1971

The House met at 2 o'clock, p.m.

Prayers.

Mr. Speaker: This afternoon, in the east gallery, we have students from St. Rita's Catholic School in Toronto and members of the Young Voyageurs; and in both galleries students from Willowfield Gardens Public School in Scarborough.

Statements by the ministry.

Hon. R. Brunelle (Minister of Lands and Forests): Mr. Speaker, I wish to make a short statement with reference to the release of the North Georgian Bay Recreational Reserve summary report.

In 1963 the government of Ontario passed an Act which gave special recognition to the growing needs for recreational land in this province. The Act established the North Georgian Bay Recreational Reserve.

This reserve is a 4,000 square mile area of land and water which extends from near Parry Sound in the south to close to Blind River in the west and to Lake Nipissing in the east. It includes about 160 miles of Great Lakes shoreline.

The area contains several unique and attractive recreation features. Included are the excellent boating waters of the North Channel and Georgian Bay, the canoeing area of Killarney Provincial Park and the cottaging areas such as McGregor Bay and Pointe au Baril.

The reserve is also unique because it is the last easily accessible large block of Great Lakes shoreline still in public ownership. The bulk of Ontario's population is only one-half day's drive from the area.

While the reserve is very attractive for recreation, it is also very fragile and could easily be damaged by improper use. Therefore, a comprehensive plan to develop the area and protect its environment was necessary. This need was recognized by the government and the Act provided that the Minister of Lands and Forests prepare a plan. Such a plan has now been completed and a summary of it is available to the public.

Mr. Speaker: Oral questions.

FARM MARKETING LEGISLATION

Mr. R. F. Nixon (Leader of the Opposition): Mr. Speaker, a question of the Minister of Agriculture and Food: Can he explain to the House Ontario's position with regard to our farm marketing legislation now that somewhat similar legislation has been ruled ultra vires or unconstitutional in the reference from Manitoba to the Supreme Court of Canada?

Hon. W. A. Stewart (Minister of Agriculture and Food): Mr. Speaker, we have not seen the report of the findings of the Supreme Court. I have just heard reference made to the fact that the Supreme Court has issued a negative decision as far as the Manitoba application was concerned.

I would point out with respect Mr. Speaker, that the application of the Manitoba government to the Supreme Court was based on a purely hypothetical situation. There was no actual fact within the matter. The situation, insofar as the Province of Ontario and our farm marketing legislation is concerned, is quite different from that which was referred by the Manitoba government to the Supreme Court. I have no further comment to make, other than to say that until we hear differently, we have no intention of changing our Act.

Mr. Nixon: Mr. Speaker, I wonder if the Minister of Agriculture and Food could tell the House specifically what argument was put forward by the representatives from the Province of Ontario who did attend the hearings, I understand on instruction either from the minister directly or through the Attorney General (Mr. A. F. Lawrence)?

Hon. Mr. Stewart: As I understand it, to sum up briefly, it was to support the position that the Manitoba government had advanced but it was not a position similar to that which pertains in Ontario. Our representative, as I understand it from the Attorney General's branch, who was representing the

Province of Ontario was supporting the Manitoba position. We were not debating the Ontario position. They are different.

There is an entirely different aspect and a different connotation entirely placed upon the way our bill functions and their proposal, which was similar to what is going on in the Province of Quebec. The Quebec and Manitoba situations were similar to some degree—to a much greater degree than pertains in the Province of Ontario legislation.

Mr. Nixon: Mr. Speaker, if you will permit two further supplementaries, I wonder if the minister can make it clear in what way Ontario's legislation differs from that put forward on a hypothetical basis by Manitoba? Is he aware that Manitoba's legislation was put forward to correspond almost identically with the legal position of the Province of Quebec, which had been approved by the Supreme Court of that province; and is he aware of these ramifications, which doubtless will have some impact in Ontario whether or not the minister believes the situations are identical?

Hon. Mr. Stewart: There is quite a substantial difference between the application of the Quebec legislation and the Ontario legislation.

As I mentioned earlier, Mr. Speaker, the Manitoba test case to the Supreme Court was a purely hypothetical case. They have no marketing plan.

Mr. Nixon: What has that got to do with it?

Hon. Mr. Stewart: It has a great deal to do with it.

Mr. V. M. Singer (Downsview): The Supreme Court did not think it did.

Hon. Mr. Stewart: The member is talking about something that does not actually exist.

Mr. Nixon: Except in the Province of Quebec—

Hon. Mr. Stewart: Except in the Province of Quebec, which the provinces—

Mr. Nixon:—where it substantially exists in exactly that form.

Hon. Mr. Stewart: Now my hon. friend does not need to get himself exercised.

Interjections by hon. members.

Mr. J. E. Bullbrook (Sarnia): He does. With answers like that he does.

Mr. Speaker: Order, order!

The hon. Leader of the Opposition was given the opportunity to ask the question. Now he might give the minister the opportunity to answer.

Mr. Bullbrook: Do the answers have to be so stupid?

Mr. Speaker: The member for Sarnia really has not added anything to the discussion.

Mr. P. J. Yakabuski (Renfrew South): He never does!

Mr. J. R. Simonett (Frontenac-Addington): What does he know about farming? What does he know about anything?

Hon. Mr. Stewart: Mr. Speaker, with respect to my hon. friend from Sarnia, if my answer appears to be stupid, so be it.

Mr. Bullbrook: It does not appear to be stupid. It is stupid.

Hon. Mr. Stewart: Very well, if it is, then why answer the question, Mr. Speaker?

Mr. Bullbrook: By way of supplementary, may I ask the Minister of Agriculture and Food if he is pleased that the Supreme Court of Canada is so concerned with the viability of our great nation? May I ask that, because the minister was not—

Mr. Speaker: Order!

Hon. Mr. Stewart: I gather that is an expression of opinion rather than a question.

Interjections by hon. members.

Mr. Singer: I have three supplementaries of the minister.

One, is he aware that the argument advanced by Ontario that the Supreme Court should not consider the Manitoba legislation because it was hypothetical was discarded and refused by the Supreme Court of Canada?

Hon. Mr. Stewart: No; I am not aware of that. As I said, I have not seen the statement handed down by the Supreme Court.

Mr. Singer: The counsel could have told the minister that.

Hon. Mr. Stewart: I have not seen that.

Mr. Singer: The second question, Mr. Speaker, is this: Is the minister prepared now to advise those people in Ontario who have made seizures of broilers under the Ontario

legislation how they can be protected from suits for damages, which will undoubtedly arise against them?

Hon. Mr. Stewart: No, Mr. Speaker; because as I said earlier, the legislation, which was debated before the Supreme Court is not what we have in the Province of Ontario.

Mr. Singer: The third question, Mr. Speaker, is this: Is the minister prepared to go along with the opinion advanced by Mr. Jed Baldwin, the Conservative House leader in the federal government, who suggested the time had now come for all of the departments of agriculture, provincial and federal, to get together and agree on some effective legislation which would protect all the farmers in Canada?

Hon. Mr. Stewart: Mr. Speaker, I had not seen the quotation nor had I heard it until now.

Mr. T. Reid (Scarborough East): What does the minister do on his weekends?

Hon. Mr. Stewart: But I would simply say that we would be more than pleased to do that. As a matter of fact, as I advised the House last week, there will be a meeting convened the second or third week in July in Alberta which will deal with this very matter. I am hopeful that the federal House will see fit to pass Bill C-176 in some respect at least, even on a commodity-by-commodity basis Mr. Speaker, which will permit us to have some type of national marketing legislation.

Consistent with that statement, Mr. Speaker, is the amendment that I moved to The Farm Products Marketing Act, introduced last week in this House, which will permit our government to co-ordinate marketing on a national basis with the federal government under Bill C-176. We are in complete accordance with that proposal. I only wish I could see more active indication in the House of Commons that that will be done.

Mr. Bullbrook: The minister is prepared to erode the nation.

Mr. Nixon: The minister is prepared to instruct his friends in Ottawa to support the bill?

Hon. Mr. Stewart: Yes, I sure am, and have.

TREASURER'S TASK FORCE ON ECONOMIC NATIONALISM

Mr. Nixon: Mr. Speaker, a question of the Premier: Can he indicate to the House what sort of guidelines or timetable he has given the one-man task force which in the person of the Treasurer (Mr. McKeough) is going to look over government policy with regard to economic nationalism? Does the six-month period which was indicated in the announcements made by the Treasurer, or made by the Premier in that connection, mean that further legislation, regulation or enactment will be precluded until the Treasurer has given his report to the ministry?

Hon. W. G. Davis (Prime Minister): Mr. Speaker, I think the answer to that question is kind of obvious. We have already implemented two or three matters as they relate to the publishing industry prior to the convening of the conference.

The Minister of Trade and Development (Mr. Grossman) has introduced two or three new policies with respect to Canadian participation in Canadian industry that were not related to the conference, so nothing that the conference, or the task force that will be responsible for assembling various ideas and thoughts might develop, will preclude this government from doing anything.

This is a vehicle, Mr. Speaker, to enable us to continue the discussion that has been initiated, the kind of discussion that we felt was constructive and helpful. But certainly as a government, if we find areas in which we should move as far as policy is concerned, the length of time it is in deliberation, or whatever the task force might develop during that period of time, does not preclude this government from doing anything.

Mr. Nixon: A supplementary, Mr. Speaker: Is the Premier prepared to have the task force consider the implementation of a foreign investment review board, which seems to be well received by all concerned with the problem. In that way, would the Premier not agree, the administration in the province would have forewarning more ample than has been the case in the past of the kind of investments which may be deleterious to the strength of our province and our nation?

Hon. Mr. Davis: Mr. Speaker, I think if one really looks at this, particularly after the discussions of last week, that if there were to be this form of review board—and I am not saying that there should not be—it is obvious to me at least that this

should have federal application. It would be pretty difficult to have this kind of review board dealing with situations only in the Province of Ontario, where we may be dealing with industries that are Canadian-based but having their areas of business extending beyond the Province of Ontario. I certainly do not want to see industry in this province prejudiced, and I would like to think that the Leader of the Opposition does not, so that any sort of review board should be national in character.

This is just a personal opinion, without a careful personal analysis of it. I would also say, Mr. Speaker, there is nothing in the terms of reference as they relate to the kind of discussion that will be going on for the next period of time that would preclude the task force from considering the possibility of such a review board. But I do emphasize—and this is strictly a personal reaction—there is great merit, in my view, in considering this on a national basis rather than on a provincial basis, which would be quite in keeping with the philosophy of the hon. member for Sarnia.

Mr. Nixon: Mr. Speaker, on the basis of the Premier's answer, if I may have a further supplementary, would he not agree that it would be quite possible for the kind of investment which should come under the jurisdiction of the provincial government to be reviewed by a provincial board, whether or not a national board is in operation?

As a matter of fact it might sound the same sort of alarms that the royal commission on publishing has provided twice for the government.

Hon. Mr. Davis: Mr. Speaker, I am not interested in sounding alarms. This government is here to provide leadership—

Mr. T. Reid: The Prime Minister would not be able to hear it if it went off.

Hon. Mr. Davis: —and not to provide alarms or bells. I will leave that up to the Leader of the Opposition and the leader of the new left over there. I do not see him today.

Mr. P. D. Lawlor (Lakeshore): Where did the Prime Minister get that terminology? That is a new coinage is it not?

Hon. Mr. Davis: Radical left—pro-Laxer, anti-Laxer—who knows, some day ex-Laxer! Who knows in just what direction it is going!

Interjections by hon. members.

Hon. Mr. Davis: I am never really quite sure where they are.

Mr. J. Renwick (Riverdale): Gradual shift in emphasis.

Mr. C. G. Pilkey (Oshawa): Thatcher found it. Thatcher tried that; it did not work.

Mr. D. C. MacDonald (York South): The Prime Minister takes a long time to learn.

Interjections by hon. members.

Mr. Speaker: Order, order!

Hon. Mr. Davis: I really do not know how that got into this discussion. Where was I before I deviated somewhat?

Mr. Speaker, I would say that all of these matters are areas for consideration, and certainly there is not going to be any precipitate determination by this government.

I think it is abundantly clear from the discussions last week, certainly at the conference, that there is no question this matter is complex; it goes to the very roots of our economic growth in this province—

Mr. J. Renwick: Oh that is ridiculous. They made it complex. We took a quite liberal approach to it.

Hon. Mr. Davis: —and in this country, and any government that did not act in a completely rational, logical way in this matter, I think, would be acting with total disregard for responsibility.

Mr. Speaker: The member for Peterborough has a supplementary.

Mr. W. G. Pitman (Peterborough): I have a supplementary. I wonder if I could inquire of the Prime Minister—

Mr. J. Renwick: The independence of the country disappears down the drain while the Prime Minister ponders the matter.

Hon. C. S. MacNaughton (Minister of Transportation and Communications): Is he going to give us the "Ex-Lax" now?

Mr. Pitman: I wonder if I could ask the Prime Minister a little more about the specifics of the task force and its inquiry.

Does the provincial Treasurer expect to carry on open hearings? Is there going to be some degree of research available to the provincial Treasurer? Will there be submissions from more interested people such as those who

were on the book list at the conference, but did not get to go to the conference?

Hon. Mr. MacNaughton: Go to the member's conference?

Hon. Mr. Davis: Mr. Speaker, I will not get into the last part of the question: I would be led astray again.

I would say that there are no limitations at this moment. From the standpoint of structure and administration there was the suggestion that it be related to the activities of the Ontario Economic Council. As I reflect upon the deliberations of last week, quite frankly I think there is great merit in the Ontario Economic Council becoming more involved for purposes of research and analysis of some of the material that is provided.

Mr. MacDonald: There the Prime Minister will certainly get an enlightened right-wing approach.

Hon. Mr. Davis: To say whether or not there will be further public hearings and so on, Mr. Speaker, I think it is very premature to make this sort of determination.

Mr. Speaker: The member for York South has a supplementary?

Mr. H. Peacock (Windsor West): The ministers have heard of the Herb Gray study?

Mr. MacDonald: I have a further supplementary for Prime Minister "William Thatcher Davis."

In precisely what areas does the Prime Minister think that a further study might turn up new information and guidelines beyond all the public and private studies that have taken place in the last decade?

Hon. Mr. Davis: Mr. Speaker, if the member for York South had found himself available to listen to some of the summations on Friday afternoon, he perhaps might have had some insight—

Mr. MacDonald: I was not invited.

Mr. J. Renwick: That is a non-answer if ever there was one.

Hon. Mr. Davis: —into some of those matters that those who participated felt needed further analysis.

I even sensed, as I watched certain things on Channel 19—

Mr. MacDonald: Two of them want no action, like the Premier. That is why they want another study.

Hon. Mr. Davis: —that great medium, whereby we were enlightened as to some aspects of it—that one Mr. Keirans made life very difficult, I think, on the 30-year purchase of certain Crown assets that this party over here wants at least to turn into nationalized situations. There were a number of them, and I thought it very intriguing that at last the New Democratic Party has come down four square on the side of the Waffle group. This was quite a revelation to me, but that is quite incidental.

Mr. MacDonald: Again he is not learning; "William Thatcher Davis" is not learning.

Hon. Mr. Davis: Well come on! Who is trying to kid who? All one has to do is look at the structure of the conference and one knows very well the New Democratic Party has now successfully identified itself with the economic policies of the Waffle group. It is quite obvious.

Mr. J. Renwick: The Premier is trying to kid us. That is a very appropriate question.

Hon. Mr. Davis: Mr. Speaker, there is no question whatsoever that the impact of many of the suggestions that came out of the conference last week—the economic impact, the cost, the effect that would take place right across Canada—all of these things have to be analysed in great detail so that we know in fact what we are talking about.

Mr. Speaker: The member for Scarborough East has a supplementary.

Mr. T. Reid: Yes, Mr. Speaker. Can I ask the Premier whether the Minister of University Affairs (Mr. White) in particular will be a full member of this task force so that we can look into the question of the de-Canadianization of the universities in this province?

Hon. Mr. Davis: Mr. Speaker, the Minister of University Affairs has just as strong views about these matters as anyone else, including the member for Scarborough East; and so has the Prime Minister.

I can recall sending out a letter not too many weeks ago related to this particular situation. I think the direction that this government has taken in the academic community and with respect to the publishing industry indicates very clearly—

Interjections by hon. members.

Hon. Mr. Davis: —the desire on the part of this government in the field of education—elementary, secondary and postsecondary—that

there is a recognized Canadian input and involvement; even bias, if one may wish to use this term, and in this area I do. This, without any question, is the approach taken by this government.

I also say to the member for Scarborough East, Mr. Speaker, that I, as did others, made the observation that I think is totally relevant in today's society, and that is that nothing we do should cut ourselves off from the intellectual input, the ideas, the creative capacity of people who may be south of the border. They may be in the UK, Western Europe, Japan—you name it. For any policy to be developed that would isolate the people in this province or this country from that kind of, shall we say intellectual involvement, would be very foolish indeed.

Mr. J. Renwick: Independence does not mean isolation, and the Premier knows it.

Hon. Mr. Davis: Mr. Speaker, with great respect there are certain tendencies involving—this is not a debate, Mr. Speaker, the Minister of University Affairs, to be precise, to be definitive—

Mr. MacDonald: That is a changel!

Hon. Mr. Davis:—certainly will have some very real involvement, as will the rest of us on this side of the House, in determining government policy in this area.

Mr. MacDonald: He is apprehensive as he listens to you.

Mr. T. Reid: Mr. Speaker, will the Minister of University Affairs bring into his discussions with his hon. colleague, the provincial Treasurer—

Mr. Speaker: Of course, this is not a question to ask the Prime Minister. He cannot answer for the Minister of University Affairs.

Mr. T. Reid:—arguments better than simply the straw man type of argument the Premier likes to set up. Will it be a reasonable approach?

Hon. Mr. Davis: A straw man can be knocked down every day of the week.

Mr. T. Reid: He can be knocked down with a pin cushion!

Mr. Speaker: Has the member for Windsor West a supplementary?

The Leader of the Opposition.

TRANSFER OF HEAVY WATER

Mr. Nixon: One more question, Mr. Speaker, of the Minister of Energy and Resources Management: Is there a plan at Ontario Hydro to remove some of the heavy water from Douglas Point and the Rolphton installation in order to bring the reactors at Pickering on line according to schedule?

Hon. G. A. Kerr (Minister of Energy and Resources Management): What installation? I was not sure—

Mr. Nixon: The reactor installation at Douglas Point and the one at Rolphton so that there is enough heavy water available?

Hon. Mr. Kerr: No, Mr. Speaker, I am not aware of any plan to change or transfer water from either Rolphton or Douglas Point to Pickering. It is still our hope, of course, that there will be sufficient quantities of heavy water available for the third and fourth units whenever they are brought into stream.

For example, the plant at Port Hawkesbury, the Canadian General Electric plant there, is now again in production after a short shutdown. I am hoping that there will not be any great lack of supply by the end of this year when we are looking at units three and four.

Mr. Nixon: A supplementary, Mr. Speaker: Can the minister assure us the plans for the second and third units of Pickering went forward with the assurance of Atomic Energy of Canada that the required heavy water would be available?

Hon. Mr. Kerr: Certainly at the time the plant went on, when the first units were brought on earlier this year, it was felt there would be sufficient quantity.

Now there is some concern because of the partial shutdown of the plant in Port Hawkesbury, Nova Scotia; the delay in getting the deuterium plant back in production again; and the greater demand from the Quebec plant as well as Douglas Point.

There is, as the hon. member knows Mr. Speaker, a world shortage of heavy water and there is still a possibility—I want to make that clear—that the shortage may, in fact, delay the operations of units three and four either later this year or early next year. However, certain commissioning tests can proceed with ordinary water, which is required in any event in bringing units on stream. We hope by that time that the need for heavy water will be met for the whole of the Pickering plant.

Mr. Speaker: The member for Peterborough.

ONTARIO HYDRO ADVERTISING FOR ENGINEERS ABROAD

Mr. Pitman: I wonder if I could direct a question to the Minister of Energy and Resources Management.

Could the minister indicate why Ontario Hydro would be advertising a job for senior engineer, isotopes, in a Toronto location at an initial salary of \$18,000 a year, in the American chemical society publication?

Hon. Mr. Kerr: Mr. Speaker, this is a sort of an extension of the hon. member's previous question where—

Mr. Pitman: That was in Great Britain.

Hon. Mr. Kerr: That is right. This is for the same purpose, the same reason. Hydro feels it needs very highly trained and highly technical engineers for its nuclear power operation and some of its thermal plants.

This advertisement, of course, is also available and published in Ontario and all over Canada; but we do publish them outside of Canada in the event that the necessary personnel do not come forward from our own province.

Mr. Pitman: If I might ask a supplementary: What specific steps has Ontario Hydro made to see whether those kinds of training are available to Ontario engineers before such advertisements are even entered into?

Hon. Mr. Kerr: Mr. Speaker, the type of training that is required is over and above that which could be received at our universities. It is sort of on-the-job type of training and expertise that is required for this particular type of engineer. You might say it is like a law student who, after getting his degree, has to put in a certain period of articling. This is to some degree what is required for these engineers; they have to have had some experience in either thermal or nuclear power plants.

Mr. Pitman: Can they not get it at Ontario Hydro?

Hon. Mr. Kerr: Yes, the hon. member touched on the point. There are other engineers whom we are hiring continuously within Ontario and whom we are training; but there are also those engineers that we require, with further experience and expertise for

some of our new plants, for whom we are advertising outside of the province.

We are not really denying anybody in Ontario an opportunity to work with Hydro. These are very highly trained individuals we are looking for; and if we do not find them within this province, I think it is only natural that if we are going to keep this programme going we have to find them somewhere.

OWNERSHIP AND SALE OF CROWN LAND

Mr. Pitman: If I might direct a question to the Minister of Lands and Forests: Could the minister indicate whether he has sold any Ontario public land under his jurisdiction since he made the announcement in the House during the Speech from the Throne that all further arrangements for Ontario public land would be on the basis of a leasing arrangement?

Hon. Mr. Brunelle: To the best of my knowledge, Mr. Speaker, no cottage lands have been sold since the announcement was made some time ago.

Mr. Pitman: I wonder if the minister could explain about the land which was sold in Tyendinaga township by order-in-council 1771, some 76 acres of public land, at a cost of \$2.50 per acre? Is part of the land in Ontario designated as cottage land and the rest can be sold at will by the minister at any time?

Hon. Mr. Brunelle: Mr. Speaker, as I indicated earlier, no cottage land had been sold. However, there is no restriction on other disposition of Crown land for, say, a person who wishes to build a house on Crown land within or outside of municipalities. There are no restrictions on the disposition of Crown land for such purposes.

Mr. Pitman: Would land that was on a river—on the Salmon River in Hastings county in southern Ontario—not be regarded as cottage land?

Hon. Mr. Brunelle: Mr. Speaker, I will be pleased to get the information for the hon. member.

MEDICARE PREMIUMS

Mr. Pitman: I would like to direct a question of the provincial Treasurer. Is the provincial Treasurer aware of the fact that

in view of very high Medicare premiums which Ontario workers are going to be paying, are paying now—the highest in Canada—they will, in turn, be paying higher income tax as the result of the Benson budget? I just wonder if the provincial Treasurer is aware of this and what steps he will take to bring this to the attention of Mr. Benson himself?

Hon. W. D. McKeough (Treasurer): I am aware of this, Mr. Speaker.

Mr. Pitman: I wonder if the minister has any plans for representing the Ontario workers before the federal government or lowering the Medicare premiums in Ontario so that they will not have to pay these high income taxes?

Hon. Mr. McKeough: Those are two possibilities, Mr. Speaker.

EMPLOYMENT STANDARDS ACT

Mr. Pitman: That was not a very helpful exchange.

I wonder if I could direct a question of the Minister of Labour. Is the minister aware that an employee can be required under The Employment Standards Act to make use of the seniority system in a plant and be thus forced to take a job at considerably lower wages; and if he refuses to take the job on that basis can be assessed a penalty by the Unemployment Insurance Commission?

Hon. G. Carton (Minister of Labour): I am not aware of that, Mr. Speaker, but I will check into it.

EDUCATIONAL COURSES AT CAATS

Mr. Pitman: One last question, Mr. Speaker. I wonder if I could direct a question to the Minister of University Affairs. Is he aware of the fact that Wayne University is apparently going to be offering educational courses at St. Clair College of Applied Arts and Technology, also apparently in London? Could he indicate why these educational courses are necessary in view of the work that is being done by the universities, by the teachers' colleges and by the Ontario Institute for Studies in Education in Ontario?

Hon. J. White (Minister of University Affairs): Mr. Speaker, we have approved certain educational courses for the univer-

sities to offer. I think rather than offer some kind of general answer I will get a specific reply for the hon. member and make a statement on the subject tomorrow or the next day.

Mr. Pitman: Could the minister give a specific answer indicating the nature of the courses, the number of people who will be taking them and what qualifications they will be given?

Mr. Speaker: The member for Windsor-Walkerville.

SWITCHING JULY 1 HOLIDAY

Mr. B. Newman (Windsor-Walkerville): Mr. Speaker, I have a question of the Treasurer.

Is the Treasurer aware that civil service regulations do not permit the switching of the Thursday, July 1, holiday to Friday for the employees so that they could have a long weekend? Is the minister considering giving the employees an extra day off so that they could have this long weekend; and to give that extra day off he would probably require some special ruling or decree?

Hon. Mr. McKeough: No, I was not aware that the regulations prohibited that kind of a switch.

Mr. B. Newman: A supplementary, Mr. Speaker: Does the minister plan on giving civil servants the Friday off?

Hon. Mr. McKeough: I had not taken that under consideration. From my own knowledge of certain members of my staff, I find that there seems to be a number of them talking about taking a day of their holidays on Friday, which seems to be a reasonable thing to do.

Mr. Speaker: The member for Thunder Bay.

PUBLICATION ON HUNTER SAFETY TRAINING

Mr. J. E. Stokes (Thunder Bay): Thank you, Mr. Speaker.

I have a question of the Minister of Lands and Forests. Is the minister aware that in the publication put out by his department, "Why Hunter Safety Training?" appear two sentences, and I quote:

The sport of shooting ranks historically as one of the continent's first recreational pursuits. It was born of the basic human need of our pioneers for food, clothing and communal defence against beasts and savages?

Who are the savages referred to in that article put out by the minister's department?

Mr. O. F. Villeneuve (Glengarry): The NDP.

Hon. Mr. Kerr: NDP!

Mr. Peacock: The minister is cruel.

Hon. Mr. Brunelle: Would the member mind repeating that question?

Mr. Stokes: There is a publication put out by the minister's department, "Why Hunter Safety Training?" The first two sentences read as follows:

The sport of shooting ranks historically as one of the continent's first recreational pursuits. It was born of the basic human need of our pioneers for food, clothing and communal defence against beasts and savages.

Who are the savages referred to?

Mr. J. Renwick: That is a good question.

Mr. S. J. Randall (Don Mills): It is the opposition.

An hon. member: Savage beasts!

Hon. Mr. Brunelle: Against beasts and savages?

Mr. Stokes: Beasts and savages, yes! Who are the savages?

An hon. member: The minister is perfectly right to decline to answer.

An hon. member: Thunder Bay.

An hon. member: The irrational NDP.

Mr. J. Renwick: The minister's silence is eloquent.

Mr. Stokes: As a supplementary then, will the minister take steps either to clarify it in the minds of the public or have it taken out of the book completely?

Mr. J. Renwick: Or withdraw the book.

Hon. Mr. Brunelle: I will be pleased to look into it, Mr. Speaker.

Mr. Speaker: The member for Essex-Kent.

An hon. member: The minister is ashamed.

WRECKED CAR HAULAGE MONOPOLY

Mr. R. F. Ruston (Essex-Kent): I have a question of the Minister of Justice and Attorney General: Is the Attorney General aware that the provincial police in some areas of the province have only one wrecking company haul all cars away from accidents instead of letting other companies share in the business?

Hon. A. F. Lawrence (Minister of Justice): I will take that as notice.

WINDSOR CIVIC STRIKE

Mr. Peacock: Mr. Speaker, a question of the Minister of Energy and Resources Management respecting the strike of the employees of the city of Windsor: Has the minister sent employees of the Ontario Water Resources Commission to Windsor to manage essential services at the sewage treatment plant in place of employees who volunteered to continue these services during the strike?

Hon. Mr. Kerr: Mr. Speaker, supplementary personnel from OWRC are prepared to go to Windsor to man the sewage disposal plant in the event there are not sufficient men or people available there.

Mr. Peacock: Mr. Speaker, a supplementary question: In light of the refusal of the city of Windsor to accept the offer of voluntary staffing by the regular employees, will the minister then send his so-called supplementary OWRC staff when Windsor city employees are available?

Hon. Mr. Kerr: No Mr. Speaker, if there are personnel who will voluntarily do the job to make sure that the plant works properly, there would be no reason, in my opinion, to send personnel from OWRC.

Mr. Speaker: The member for Sandwich-Riverside.

POLLUTION THREAT TO ALGONQUIN PARK LAKES

Mr. F. A. Burr (Sandwich-Riverside): A question of the Minister of Energy and Resources Management regarding the pollution danger threatening lakes in Algonquin

Provincial Park caused by the lagoon at the portage store on Canoe Lake: Why is the \$100,000 lagoon, which is supposed to be large enough for a community of 3,500 people, proving inadequate?

Hon. Mr. Kerr: Mr. Speaker, the Minister of Lands and Forests is prepared, apparently, to answer this question. If the member wishes, either he or I could reply to it. Does the member want me to go ahead? I have a statement which was made to the newspapers over the weekend.

The lagoon was constructed according to specifications that meet all our requirements, both from the point of view of The Department of Health and OWRC. There has been an occasion when there is a heavy runoff of rainwater from a hill into the lagoon and this has caused an overflow into the lake. To prevent a recurrence an embankment has been constructed to divert the natural rainfall runoff.

Sometimes, because of the problems that were referred to over the weekend, there has been a failure of the pumping station to regulate this particular diversion. At this time, as the House went in this afternoon, pumping from the lagoon was taking place and OWRC personnel are on the site. The absorption into the soil during the present irrigation operations is one of the methods of preventing leakage or spillage from the lagoon.

So all I can say at this time, Mr. Speaker, is that the problem of spillage is being corrected. There is new pumping equipment up there; the lagoon is being reinforced.

One of the problems that created this rather unfortunate situation is that some of the camps in the area were aggravating the situation. The camps have been requested to correct their problems and therefore that will affect, of course, the condition of the lagoon generally. Further inspection will be made of these camp sites, to see if any septic systems are overloaded, so the problem that occurred over the weekend will not recur this summer.

Mr. Burr: A supplementary: Have many tests of the water in the lake been made recently?

Hon. Mr. Kerr: Mr. Speaker, part of the news release over the weekend indicated that there had been some sampling which was not acceptable.

Mr. Speaker: The member for Sarnia.

Mr. Bullbrook: Thank you, Mr. Speaker. A question of the Minister of Energy and Resources Management.

Mr. Speaker: The member for Sarnia has the floor.

Mr. A. W. Downer (Dufferin-Simcoe): Oh, I am sorry.

Mr. Speaker: Unless it is a point of order. Is it a point of order? Then, the member for Sarnia will carry on and then the member for Dufferin-Simcoe.

POSSIBILITY OF ACTION AGAINST CITY OF CLEVELAND

Mr. Bullbrook: A question of the Minister of Energy and Resources Management: In the context of the comments of the Prime Minister last week in Sudbury as to the concern of this government in connection with the protection of public good in the ecological field, as exemplified by the action against Dow Chemical of Canada Limited, would the minister advise what action this government is going to take against the city of Cleveland for spewing millions of gallons of raw sewage into Lake Ontario—Lake Erie rather—and adversely affecting the people who live on such lakes?

Mr. Singer: The least he can do is sue them for \$100 million.

Hon. Mr. Kerr: Mr. Speaker, from what I have read about the Cleveland situation, this was an accident, a breakdown in the plant—

Mr. Nixon: No accident!

Hon. Mr. Kerr: And as soon as it was discovered, of course, some emergency steps were taken to correct it. I would assume that it is quite possible that some action will be taken within the United States against that city. I do not think there is really any strong analogy between the Dow situation and Cleveland.

Mr. Singer: They are not going to do the brave thing again?

Mr. Bullbrook: Mr. Speaker, by way of supplementary, do I take it from the answer of the Minister of Energy and Resources Management that he is making no representations at all in connection with this albeit impermanent type of situation—the continued

difficulties experienced by the people who live on Lake Erie with the city of Cleveland, and more important the State of Ohio?

Hon. Mr. Kerr: Well Mr. Speaker, I was so happy to learn that Cleveland had a sewage treatment plant—I am still trying to recover from that. I did not realize they had one.

Mr. Bullbrook: When did the minister learn that?

Hon. Mr. Kerr: Over the weekend.

Mr. Bullbrook: Did the minister attend that conference up at the Inn on the Park?

Mr. Speaker: Order, order!

The hon. minister will answer the question if the member will give him the courtesy so that he may do so.

Mr. Bullbrook: Quite right, sir.

Hon. Mr. Kerr: At that conference, never once did the people from Ohio ever claim that Cleveland had a sewage treatment plant. All I am saying, Mr. Speaker, is that I have asked my officials at OWRC to get all the information about this plant to make sure that it is an accidental breakdown. If it is not, we may sue.

Mr. Speaker: The member for Dufferin-Simcoe.

POLICE SUPERVISION OF ROCK FESTIVALS

Mr. Downer: A question of the Minister of Justice: Has the minister anything to report as to the prevention of the rock festival scheduled for July 1 in Mulmur township? The local council and the local people are vehemently opposed to it.

Hon. A. F. Lawrence: Mr. Chairman, there was an order-in-council passed last week by the Lieutenant-Governor-in-Council designating the area in Mulmur township as a police designated area. This, hopefully, will permit us to recover the police costs after the event.

Mr. Singer: More successfully than we did last year?

Mr. Speaker: The member for High Park?

Mr. Singer: A supplementary.

Mr. Speaker: A supplementary.

Mr. Singer: Will the order-in-council that was passed be a little more helpful to the government than the similar efforts it made last year that the minister was going to look up and answer? He never did.

Hon. A. F. Lawrence: Well on the basis of the same type of order-in-council last year, it has been possible to sue—my hon. friends rather laughingly refer to it as a people action, but maybe that is what it is—to sue the promoters of that particular rock festival. Again this year we probably will be doing the same thing—if we cannot collect in advance.

Mr. Bullbrook: They are going to have many writs going over there.

Mr. Singer: By way of supplementary, could the minister advise the House of the present status of the action that he just mentioned? A few months ago he could not tell me what was happening.

Hon. A. F. Lawrence: I will get a recent report from my advisers and inform the hon. member.

Mr. Nixon: That is what he said last time.

Mr. Singer: Is there a writ issued?

Hon. A. F. Lawrence: My understanding is that there is a writ issued, yes.

Mr. Singer: I think the minister had better check again.

Mr. Speaker: Order. The hon. member for High Park has the floor.

REASONS FOR RESIGNATION OF PROBATION OFFICER

Mr. M. Shulman (High Park): A question of the Attorney General, Mr. Speaker: What action has the Attorney General taken in light of the reasons given in the resignation of his probation officer, R. E. Trimmer, in which she claimed that (1) service to probationers is placed at the bottom of the minister's priorities; and (2) his department does not evidence a deep commitment to people in its functions and administration but is rather subject to tokenism and functional efficiency?

Hon. A. F. Lawrence: I have not heard of those reasons. I will take that question as notice.

Mr. Speaker: The hon. member for Nipissing.

LEASING OF CROWN LANDS FOR COTTAGE SITES

Mr. R. S. Smith (Nipissing): A question of the Minister of Lands and Forests: When will the minister make available to the district offices the prescribed forms for the leasing of the Crown cottage sites, for which many people are waiting across the province?

Hon. Mr. Brunelle: I believe those are in the regulations of the Ontario Gazette, Mr. Speaker, but I would be pleased to send the hon. member a copy of the statement.

Mr. R. S. Smith: As a supplementary, Mr. Speaker, the regulations were in the Gazette on June 19, but the district offices have not received the prescribed forms to carry out the process of leasing, and this is the question: When will they receive the forms and go ahead with the leasing of the cottage lots?

Hon. Mr. Brunelle: I believe that anyone can go to a district office now, Mr. Speaker, and they have the forms.

Mr. Speaker: The hon. member for Wentworth.

TRADE CONVENTION CENTRE IN HAMILTON

Mr. I. Deans (Wentworth): Mr. Speaker, I have a question of the Premier. Are the recent statements of Mr. Jack McNee in Hamilton with regard to the government being prepared to make money available to build a trade convention centre in the city, to be considered a change in government policy over the statements that were made over the last two years? If so, when can we expect the money to be made available?

Hon. Mr. Davis: Mr. Speaker, there has been no finality with respect to the matter raised by the hon. member. I would only point out to him that with this government, if there are reasons, if there is merit in making alterations in policies we do so; but there has been nothing finalized with respect to the city of Hamilton and the trade and convention centre.

Mr. Deans: By way of supplementary question, would it be reasonable to assume there has been a change in government policy and that any decision which will be made will not be made by way of an announcement on the eve of the election, as was the previous offer?

Hon. Mr. Davis: Mr. Speaker, if I were the hon. member I would not assume too much.

Mr. Deans: I would not either.

Hon. Mr. Davis: And I would just say to him there have been discussions and there is no finality to the situation at the moment.

Mr. Speaker: The oral question period has now expired.

Petitions.

Presenting reports.

Hon. A. F. Lawrence presented the fourth annual report, 1970, of the Ontario Law Reform Commission.

Hon. A. F. Lawrence: The printed copies of the report will be available to the hon. members as soon as they are received in my office.

Mr. Speaker: Motions.

Hon. Mr. Wishart moves that notwithstanding the general order of April 8, this House will sit on Wednesday next, June 30, at 10 o'clock, a.m., and will adjourn at 1 o'clock, p.m., until Monday, July 5.

Motion agreed to.

Mr. Speaker: Introduction of bills.

HIGHWAY IMPROVEMENT ACT

Hon. Mr. MacNaughton moves first reading of bill intituled, An Act to amend The Highway Improvement Act.

Motion agreed to; first reading of the bill.

Hon. Mr. Davis: Mr. Speaker, the amendments to The Highway Improvement Act which have just been introduced by the Minister of Transportation and Communications have far-reaching effects for the transportation needs of this province. They will shape public transportation systems in the final decades of this century and have a profound impact on our lives and those of our children.

The amendments give substance to a number of statements made during the course of the last eight months. Among many things, the bill introduces a new dimension to the historic provincial-municipal partnership established by The Improvement of Public Highways Act, which was the forerunner of The Highway Improvement Act and which was passed 70 years ago this year.

There will be a change of name for the Act. One of the amendments presented today will create The Public Transportation and Highway Improvement Act. When taken in conjunction with the recent creation of The Department of Transportation and Communications, this change is a clear indication of the government's determination to approach the total transportation problems of this province in a broad and unified manner. All modes and facilities for the transportation of people and goods will be utilized in their most effective and efficient role to meet our future transportation needs.

Another amendment recognizes the maturity of our municipal partners and the professionalism of their road superintendents. This is in no small degree related to the educational programme provided for municipal employees in recent years by the former Department of Highways and the Ontario Good Roads Association.

In recognition of these facts, the requirement of ministerial approval of bylaws appointing county or township road superintendents or altering their salaries and allowances, will be removed from the Act. Complete control in these matters will be left to the discretion and good sense of municipal councils.

In addition, the historic procedure of approving road and street expenditure bylaws of a municipality will be replaced by a simpler administrative method of allocating funds. This new method, while reducing the administrative work load of both municipalities and The Department of Transportation and Communications, continues the practice of allowing supplementary allocations of funds at the request of a municipality.

A further improvement in the provincial-municipal relationship will result from the increase of advance payment of funds to all the municipalities. In place of one advance payment in May of 25 per cent of subsidies paid in previous years, two payments will be made, each of 30 per cent of the funds initially allocated to a municipality in any year. The first one will be made on or shortly after April 1, and the second on or shortly after July 1.

As the hon. members are aware, many municipalities from time to time arrange public festivities and celebrations of one nature or another. These affairs often occur on the public streets and require the use of these streets solely for pedestrians. Another proposed amendment to the Act will allow these streets, or part of the King's highway, to be

closed to all vehicular traffic for up to 72 hours with the approval of the minister.

While it is not a matter for legislative amendment, I am also pleased to inform the House that in a related situation the Minister of Transportation and Communications has established a policy of providing normal road subsidies for works on adjacent streets required to facilitate the construction of pedestrian malls.

Mr. Speaker, these are two concrete examples of how the government is directing the new Department of Transportation and Communications into a new mould which is more sensitive to people as people, not just people as owners of automobiles.

Mr. Singer: Here we go again.

Hon. Mr. Davis: Mr. Speaker, I recognize the member for Downsview has no interest in people. Be that as it may, that is his prerogative.

Mr. Singer: That is right, I like the automobile that runs by itself. Those automobiles travel on their own.

Hon. Mr. Davis: Another amendment introduced today, Mr. Speaker, adds a new section dealing with the allocation and payment of funds to district, metropolitan and regional governments, extending to them the same provisions as will apply to other municipalities.

In keeping with the promise in my statement to the House of June 3, we propose an amendment to the existing provisions dealing with subway construction. The items of construction eligible for assistance are broadened to include all the normal elements of subway or other rapid transit construction, including:

The planning and design of a subway; the acquisition of land required for the subway right-of-way, stations and yards; clearing the subway of obstructions from subway rights-of-way; taking up, removing or changing the location of public utilities; constructing tunnels, stations and other structures incidental to the subway; constructing the roadbed for the subway, including the under-drainage, tracks, rails or other surface or facility upon which to operate the subway trains or vehicles; subway cars and other rolling stock; constructing storage and maintenance yards or depots for subway cars and other rolling stock; constructing power, conditioning and distribution systems; constructing train control, signalling and safety systems; constructing communications and surveillance systems;

and such other equipment, works or services required for or in connection with the subway as the Minister of Transportation and Communications may approve.

Mr. Speaker, I should like to draw to the attention of the House that these provisions have been drawn in such a way as to encourage the use of new modes and new technology as they are developed and prove their worth—

Mr. Peacock: That one was developed in Toronto. What about the other kinds for the other communities?

Hon. Mr. Davis: —promising new ideas and concepts related to better ways of providing transportation for large numbers of people as exist today.

A great deal of developmental work is underway in several countries. The staff of The Department of Transportation and Communications is in close and almost constant touch with these developments. We propose to take advantage of them with all possible haste commensurate with our objective of providing safe, rapid and economical transportation for all communities in Ontario.

This amendment, Mr. Speaker, will be of tremendous specific benefit to Metropolitan Toronto and the Toronto Transit Commission. In monetary terms, at the very least it will almost double the 1971 provincial contribution to the Yonge Street subway.

I invite the senior officials of both these organizations to meet, either independently or jointly, with the Minister of Transportation and Communications to discuss this matter in detail.

The hon. members will note that no reference is made to the Spadina rapid transit facilities. May I make it abundantly clear that our purpose in doing this is only to remove any bias with regard to the choice of location of a rapid transit facility in this corridor. We do support, and will assist financially, a rapid transit facility in this general location. As soon as a determination is made by Metropolitan Toronto and the Toronto Transit Commission of the most appropriate route for a subway, or other transit facility, we are prepared to designate it under the provisions of this amendment.

This, Mr. Speaker, is one measure, but only one measure, of our determination to assist in the development of attractive economical and viable alternatives to the automobile in congested urban areas. We do not restrict this to Metropolitan Toronto. These provisions are province-wide and can be utilized in appro-

priate and practical fashion by all of our cities requiring rapid transit facilities.

Mr. Speaker, a further amendment to this Act adds a new dimension to the historic provincial-municipal partnership to which I referred at the beginning of my remarks. This amendment fulfils a promise made in the Speech from the Throne to create a system of financial assistance to the municipalities for all other municipally supported public transportation, in addition to subways.

As members of this House know, we have assisted urban municipalities for many years in studies of their road transportation needs. Last year The Highway Improvement Act was amended to allow the study of all or any part of their total transportation needs. I am pleased to report that 10 municipalities are now engaged in long-range total transportation studies with the department. Three have completed short-term operational studies of their local public transportation systems. A further 11 now have studies under way and we expect that within a few weeks five or six others will decide upon conducting such a study.

The purpose of the amendment is to introduce an immediate cash flow for local public transportation. It is, in a sense, a transitional step designed to provide immediate assistance for viable alternatives to the private motor vehicle and to encourage municipalities to view public transportation as a better alternative to spending ever-increasing funds for road improvements, where traffic congestion creates tremendous needs on the one hand and continuing discomfort and frustration for both motorists and property owners on the other.

As we and our municipal partners gain more experience in this new approach to urban transportation problems and as long-range total transportation studies and supplementary studies of various forms are completed we may find that refinements to this legislation are desirable. And this we will do. It is the firm intention of this government to actively seek and encourage the use of practical and economical forms of public transportation, wherever these have application.

Most important, Mr. Speaker, the legislation introduced today is a sound example of the earnest desire of the government to encourage the use of public transportation, wherever such is a viable alternative, to meet urban transportation needs.

In drafting this legislation, the government has sought to be all-embracing with

respect to the actual net costs of providing public transportation. The legislation applies equally to all of the municipalities, although there are obviously a great many in which it will not have a practical application for many years. The bill places municipal public transportation expenditures on a basis equal in every way with municipal road expenditures. We trust that this neutrality will remove any incentive to bias municipal transportation expenditures toward road improvements which may have existed heretofore.

The government is confident that this extension of financial assistance to include municipal public transportation expenditures will stimulate new and objective appraisals by municipal governments of the role which public transportation can play in their municipalities. We expect that this extension of financial assistance will create a new and broader sense of direct responsibility for all modes of transportation in the minds of responsible municipal officials. The broad effect of this amendment will be to encourage an integrating and unifying approach on the part of the municipal governments of our urban and urbanizing areas to the proper utilization of all modes of and facilities for transportation.

Mr. Speaker, this is landmark legislation which I am pleased to commend to all members of this House.

Mr. Speaker: The Minister of Labour.

Mr. S. Lewis (Scarborough West): Very fuzzy landmark legislation, very fuzzy!

Interjections by hon. members.

INDUSTRIAL SAFETY ACT, 1971

Hon. Mr. Carton moves first reading of bill intituled, An Act to provide for the Protection of Persons in Industrial Establishments.

Motion agreed to; first reading of the bill.

Hon. Mr. Carton: Mr. Speaker, this bill will establish a more effective base upon which the accident prevention programme for the protection of all employees in industrial establishments in Ontario can be founded.

It is generally accepted that compliance with and enforcement of legislation do not in themselves provide the total answer to the problem of accidents but are only two of a number of tools which, if used together

and in concert, can achieve a solid impact on the problem and hopefully produce a reduction in the number of accidents, with their accompanying costs in injury, pain and distress, both physical and economic. This can only result if the Act is well constructed, readily understood and establishes standards of conduct and responsibilities that reflect the decent attitudes of our society.

The bill is the result of a continuing review of the operations of The Industrial Safety Act, 1964, and the regulations thereunder, by the industrial safety branch of the department and by a large number of groups and individuals who contributed from their knowledge and experience to the final product. Among those groups was the Labour Safety Council of Ontario, which made a number of recommendations after reviewing submissions received from the Canadian Manufacturers Association, Ontario Federation of Labour, Industrial Accident Prevention Association and many others.

The bill clearly establishes the parameters within which enforcement will take place, specifically defines the duties, responsibilities, powers, rights and penalties applicable to all persons associated with industrial establishments and provides for the making of regulations. The structure of the Act is such that the regulations now can be written as performance standards which must be achieved if the duties and responsibilities established by the Act are to be fulfilled, while leaving the precise means of achieving the established standard of protection as the option most suitable for each particular circumstance.

The bill applies to all industrial establishments in Ontario, including those of the Crown, and provides for the appointment of inspectors to enforce the requirements of the legislation by ensuring that others fulfil the duties placed upon them. These inspectors, operating under the direction of a chief inspector, have certain powers to enter premises, examine persons and give directions for the purposes of the Act. These powers are carefully prescribed to ensure simultaneously that the rights of the individual are not overridden. A system of appeals from the direction of an inspector is established and for this purpose additional powers are given to the chief inspector to assist him in his review of the appeal.

A basic assurance of the confidential nature of all information and other disclosure is included so that free and uninhibited communication can take place. However, the chief inspector is given authority

to allow disclosure, since it is obvious that such disclosure can sometimes assist materially in the basic objective of accident prevention and the protection of people; but the name of an informant may not be disclosed, except for the purposes of the Act.

A general protection of the inspector from personal liability for his actions under the Act is provided for, but this general protection does not extend to his employer, the Crown.

As indicated previously, the success or failure of the programme for protecting people depends on the responsible actions of persons other than the inspectors and so unique duties are placed on the other persons involved in operations in industrial establishments.

The owner is required to ensure those elements of the building or structure which he controls are adequate to provide for the protection of persons on the premises. These include exits, sanitary facilities, heating and lighting, fire protection and structural adequacy—generally the items which are part of the basic function of the establishment no matter what operations may be carried on.

The employer has similar duties, but in his case these relate more directly to the matters and methods which evolve from the particular operations of his company. He is also required to appoint competent supervision for his employees; and since the co-operation of all persons in ensuring compliance with and enforcement of the Act is a prime desirable feature, disciplining of an employee in connection with this co-operation is forbidden.

Each individual in an establishment is required to conduct himself in accordance with the Act, to wear and use protective devices or clothing and to co-operate with all others including owners, employers, supervisors and so on to ensure communication of knowledge of defective equipment and so on.

The reporting of accidents will enable statistical help for the administration of the accident prevention programme to be provided. A number of legal aids are made available to the enforcing branch within the constraints of protecting the rights of the individual while allowing the proper functioning of the legal process to proceed without unnecessary complications. The maximum fine is established at \$10,000 instead of the present \$5,000.

The bill is designed to capture the support of the vast majority of law-abiding, co-oper-

ative citizens in this province, while providing authority over the recalcitrant minority.

HANDLING AND USE OF HYDROCARBONS

Hon. Mr. Carton moves first reading of bill intituled, an Act to regulate the Handling and Use of Hydrocarbons.

Motion agreed to; first reading of the bill.

Hon. Mr. Carton Mr. Speaker, by way of explanation, may I say that this bill establishes the machinery for carrying on and improving, in co-operation with the regulated industries themselves, our programme which provides for the safe handling and use of hydrocarbon fuels. It should be noted that this function, formerly part of The Department of Energy and Resources Management, was transferred to my department by The Energy Amendment Act, 1970.

The bill provides for the appointment of inspectors and sets forth their powers and responsibilities. It also provides for the protection of an inspector from civil action arising from his duties on behalf of the Crown, while at the same time making clear his responsibilities as an inspector. In no way does the bill relieve him of his responsibilities, nor does it protect him from departmental disciplinary action in the event of negligence.

The responsibilities of employers have been given new emphasis in the bill. This covers not only their primary functions under the legislation, but also the responsibilities to implement the proper instruction and supervision of their employees.

Particular attention will be directed toward the operators of pipeline systems and toward those who construct such systems. The employees' prime responsibilities within the scope of the bill are also set forth with stress on those functions involving safe practices and acceptable standards of personal qualification.

An area which has caused some concern in the past has been given increased emphasis in the bill, and that is the protection from outside interference of those pipelines used for transmitting and distributing hydrocarbon fuels. This bill is explicit with respect to both the need for requesting and the need to provide adequate information on the location of underground piping before the commencement of digging with mechanical equipment.

In conclusion, may I point out that in the preparation of the appeals sections, full consideration has been given to the recommendations contained in the McRuer report.

WORKMEN'S COMPENSATION ACT

Hon. Mr. Carton moves first reading of bill intituled, An Act to amend The Workmen's Compensation Act.

Motion agreed to, first reading of the bill.

Hon. Mr. Carton: Mr. Speaker, this bill increases widows' and dependents' pensions and raises the maximum compensation payable to a workman.

The monthly pensions will move from \$125 to \$175, while the monthly pension for dependent children will go from \$50 to \$60. In the case of orphaned children, it will go from \$60 to \$70.

We propose that these changes be effective August 1, 1971. They will benefit some 4,500 widows and roughly 4,500 dependent children.

At the same time, the bill will increase the so-called income ceiling from the present level of \$7,000 to \$9,000 on all compensation cases occurring after August 1, 1971.

As members are aware, an injured workman can receive from the board, to replace his lost wages, a payment up to 75 per cent of his normal pay. The maximum amount he can get is 75 per cent of the so-called income ceiling. What the amendment means is that maximum compensation can be \$6,750, instead of the present \$5,200.

Mr. Speaker: Has the Minister of Financial and Commercial Affairs bill?

Hon. A. A. Wishart (Minister of Financial and Commercial Affairs): Before the orders of the day, I wish to table the answers to the following questions, which appear upon the order paper: Nos. 1, 15, 16, 24 and 27. See Appendix, page 3305.

Mr. Speaker: Orders of the day.

Clerk of the House: The 32nd order, House in committee of supply; Mr. A. E. Reuter in the chair.

ESTIMATES, DEPARTMENT OF TREASURY AND ECONOMICS

Hon. W. D. McKeough (Treasurer): Mr. Chairman, I am pleased to submit these esti-

mates for the approval of the House. I have no opening remarks.

Mr. Chairman: The hon. Leader of the Opposition.

Mr. R. F. Nixon (Leader of the Opposition): Mr. Chairman, the budget, on page 99, in setting out some general review of increases in net general expenditure by ministerial responsibility shows, as well as anything can, the growth of this department in recent years.

In 1967, it required \$11,951,000; the next year, \$12,000,067; the following year, \$13,738,000; in 1970 to 1971, \$27,811,000; and this year it is estimated about \$30.6 million will be required.

It is not my intention to discuss the budget itself, of course. We have had other opportunities to do that, but I do want to talk about the growth of this minister's responsibilities, which I think have taken a quantic jump in the last few weeks as the former Minister of Municipal Affairs took over the responsibility of the Treasury.

Just yesterday—I should say Saturday—we were treated to the announcement by the head of the government that the Treasurer would have a further responsibility, and a very important one indeed, and that is acting as a one-man task force in establishing the recommendations that the government would act upon in setting finally their policy on economic and cultural nationalism.

I have been much struck by the recent news comment, both emanating from the conference conducted by the ministry and also the one that had been called by the NDP in dealing with public views on economic nationalism. It is interesting that the government is just now moving to the point where, after some public discussion, it has designated one minister of the Crown for a special responsibility in this connection. He has prudently said publicly that it would be at least six months before his recommendations will be available, although of course, the Premier (Mr. Davis) in the House today said that from time to time certain actions might be forthcoming.

We of the Liberal Party have a position that was entered into by the party at our policy conference in January of this year and, Mr. Chairman, with your permission, I want to speak briefly about it, so that I can at least make the Treasurer aware of our views in this important matter as he gathers them from other sources as well.

In the question period today I mentioned the need for a foreign investment review board. This used to be called a takeover review board, but surely the government and this Treasurer should be aware of the implications of investment before they reach the proportions that might be called takeover.

It is true the government of Canada should involve itself in this as well, but this government has certain specific responsibilities in areas to which it has already reacted, in education publishing fields specifically. They will require the kind of forewarning that will be necessary to take appropriate and immediate action as these matters change from time to time.

The second matter pertains to The Department of Trade and Development, one which has effectively lost powers as the power of the Treasury has increased. I want to refer to that a few minutes from now and on another basis. Surely the minister should be aware, with the kind of review that is empowered to him, that the legislation already gives the power, the authority, to The Department of Trade and Development to involve private citizens in the fund-raising programmes which are then directed toward the substantial support of industry whether it is foreign or private in its base.

It seems to me the government ought to be treating its own legislation much more seriously and empowering and instructing The Department of Trade and Development to make use of private funds as well as public funds in performance loans and the other means whereby it can strengthen the development of Canadian and particularly Ontario industry.

The present incumbent of The Department of Trade and Development (Mr. Grossman) has never seen fit to ask for a public—that is to say, the private development of funds for public use in this regard. He has restricted his requests simply to an approach to the Treasury Board about funds which he thinks would be sufficient to promote the strengthening and development of our own industries.

The whole matter of decentralization must obviously come under the purview of the minister in his new capacity as a one-man task force, and perhaps even more important in his capacity as what really amounts to the chief planner in the province.

Last year, the then Minister of Municipal Affairs (Mr. McKeough) rejected the concept that the Treasurer was, in fact, the chief planner; but he was not present in the meet-

ings of this committee since the Treasury estimates, as I recall, were referred to the estimates committee meeting elsewhere.

Hon. Mr. McKeough: I read them all last night.

Mr. Nixon: Since he has now indicated he has read the responses of his predecessor he will recall the Treasurer saying that he, in fact, was the chief planner. He said that in the absence of the Minister of Municipal Affairs who, in his former capacity, might surely have argued that contention.

Hon. Mr. McKeough: No, never! Never!

Mr. Nixon: No! Certainly not if he himself was Treasurer. His predilection for powers in planning—

Hon. Mr. McKeough: I thought the member had a very cogent discussion.

Mr. Nixon:—and particularly the centralizing of those powers will come under very careful review indeed.

In these parts of my remarks, when I am talking about this special and new responsibility of the Treasurer, I want to recommend to the Treasurer his own public pronouncements on decentralization. We are not here to argue his decisions taken as Minister of Municipal Affairs in centralizing assessment and, if anything, in centralizing the power of planning more than it ever had been before.

He is now in a rather unique position where he can recommend to his colleagues in government—and from a position, I would say, of some pre-eminence which he has carved out for himself politically and through his personal abilities—that this whole concept of decentralization applies more strongly to this administration than it does to the other jurisdictions which have come under criticism because of their centralizing tendencies.

The Treasurer, in his formal remarks in presentation of the budget, was particularly critical of the government of Canada for this very matter and decentralization can surely be established here just as it can be at the federal level. There is no reason, for example, why the head office of Hydro has to be maintained within a stone's throw of the seat of government.

Another recommendation recently put forward by editorialists was that OHSIP and the headquarters of other similar commissions should be decentralized into other parts of the province where they can draw on just as effective a pool of labour. If

necessary they can have as close communication with those areas for additional research that might be necessary from time to time.

The Minister of Labour (Mr. Carton) has just given us some fairly important amendments to the Workmen's Compensation Board and it occurred to me that even though that board is well entrenched in a fortress down near the lakefront, still its substantial purpose does not have to emanate from the capital. There is no reason why it should continue to do so in the long run and the long plan of the government.

Certain ministries would function far better if they could divorce themselves from the attitudes that are so characteristic of the heart of downtown Toronto. I mention The Department of Lands and Forests since that minister (Mr. Brunelle) is present, and there is The Department of Mines and Northern Affairs. Both of these, surely, should have their administrative headquarters elsewhere. I refer particularly, of course, to the northern part of the province. Both ministers are well provided with a fleet of aircraft. They are well provided with instant communication. If they could arrange with the other ministers not to use those aircraft so frequently for other purposes, then of course they might be able to attend cabinet meetings as required. The Department of Energy and Resources Management should be a part of the decentralization as well.

Hon. R. Brunelle (Minister of Lands and Forests): We are the most decentralized department.

Mr. Nixon: It may be the most disorganized, but I do not know that it is the most decentralized.

Mr. Chairman, I pointed out to you a few moments ago that since 1967 the costs for the general expenditure of The Department of the Treasury have about tripled—the Treasurer is such a mathematician and so careful in these matters himself. It has gone up from \$11.9 million to \$30.6 million.

When I first entered the House in 1962, the hon. Robert Macaulay, who was then Minister of Trade and Development, unless we have changed the name of the department since then—and that is entirely possible—used to be referred to as the minister of all departments. Hardly a day passed but that the hon. Mr. Macaulay would arise and with an announcement indicate that through another committee or another study he had, in fact, taken the initiative in the development of

policy from one of his colleagues. It got to be quite a joke, as he even established his primacy in situations involving Tourism, Agriculture, Trade and Development—which was his prime responsibility—and so on through all of the government departments. It got to be a joke, as I say, as we referred to him as minister of all departments.

Now the pendulum is swinging, not necessarily back to where it was, but in another direction. The Treasury obviously has specific responsibilities for the establishment of our budget. I would say that if we are going to add more responsibility to it, we should certainly see that The Department of Revenue, having survived now going on a third year, should be politely and painlessly done away with and the responsibilities for revenue returned to the Treasury, where they have historically resided and where they would be again under a Liberal administration.

The Minister of Revenue (Mr. Winkler) has never indicated that his position influences the policy in any small way for the decisions made in the budget. He is nothing more than an administrative officer and an unprofessional one at that, whose value to the net administration of the government is certainly very much in question.

It was interesting also to note in the statements by the Treasurer a few weeks ago, that even though The Department of Revenue has most recently been established and the former minister (Mr. White) used to pride himself that it was the most economically administered department in government, still the announcement was made that 26 personnel were being moved from that department to other departments. Obviously we do not need that department, and it should be coalesced with the Treasury. I believe that would be a move that would give rise to some economy and a more efficient approach to the control of our fiscal administration.

Mr. Speaker, when I am talking about areas which should be added to the department, there is one other which at least recommends itself to me in some particular, and that is the Economic Council of this province. On Friday I believe, or Thursday, I asked a question of The Department of Trade and Development, which now administers the Economic Council, as to whether any thought was to be given to changing the responsibility for the department, or the minister through which it reports, and I got a negative answer from the present

Department of Trade and Development, or the minister of that department.

I had thought, in my own view, that the Economic Council should come under the purview of the Treasury. This would be of some assistance because the Treasurer, having widespread responsibilities for the economy, would have this, as I would say I would say one of his most useful instruments; but that very phrase gives me pause, because if the Economic Council is going to have an effective utilization it is not its connection with government but its distance from government which should be emphasized.

For that reason, I believe it should be taken out of The Department of Trade and Development. Certain of its officers should, I suppose, report to the Treasurer, through the provincial economist who sits in a position to advise the Treasurer. But essentially the administration of the Economic Council, at the very top, should report only through the first minister himself, so that in this way their autonomous position can be emphasized. I have always felt that there should be an independent assessment of the economy of this province in a manner similar to that which has developed at the federal level.

In my view, I suppose once the Minister of Finance for Canada stops trembling at the charges and attacks from the Treasurer of Ontario, the next most fearsome approach as far as he is concerned would be the report of the Economic Council of Canada, which is entered into in a well-researched and independent manner. From year to year that report causes more of a stir in Canada than at other times; sometimes they seem to hit the nail on the head in their criticisms of the government.

But surely this is the kind of thing that should be available, not only to the citizens and taxpayers of Ontario, but also to the members of this Legislature. As it is, the Economic Council is somewhat under a cloud. Their researches have not been spectacular and only of limited use, even I suppose to the officials of government.

From time to time over the years they have stirred themselves to look into the problems of rural poverty in, I believe, five specific communities in western Ontario north. They have undertaken a review of the succession duty programme, which they said should be abandoned and which advice the Treasurer never saw fit to follow; even though he said that he would like to have followed it, it has not got to that point yet.

The Economic Council then requires upgrading, a substantial upgrading. I believe that its independence has to be strengthened far more than has been the case before. Part of it might very well report to the chief economist, but more important than anything else should be a policy to underpin its autonomy and make its yearly report something which we are not favoured with at the present time—that is as a criteria of the economy of the province—and make it available on an independent basis to the citizens and to this House.

Mr. Chairman, in talking about the changing responsibilities of this department, probably the one that should be divorced from the Treasury is this position that has been taken by the Treasurer's predecessor (Mr. MacNaughton) as the chief planner in the province. Through the regional development branch there really has been nothing but confusion and trouble plus the expenditure of ever-increasing amounts of public moneys for programmes that have had little or no effect on the planning decisions of this province.

The Treasurer was good enough to send me a statement made by his new chief of the branch in response to a report, apparently erroneous according to the statement that was delivered to me, that was said to have been read into the record or referred to by myself in the House and that appeared in the *Toronto Globe and Mail* of approximately three weeks ago. In that report it was indicated that the new chief of the branch had made some substantial criticisms of the regional development programme. He said in essence that they were poorly organized and, to use the words in the press report, if I can recall them, that the regional development programme had not given the results that had been expected and that the whole business was being fought out again.

I recall on a recent occasion when the former chief of the branch, sitting in a position at the table, at the feet of the minister and proffering advice to the former minister—much to his assistance, as I recall—that we were given a page involving 15 squares which were properly numbered and in small type indicated the surging development of regional planning in this province.

I felt at the time that the Treasurer was less than enthusiastic about that approach but he was prepared, as the good man he is, to defend almost anything that the government had decided to require him to defend. It takes me back to that occasion when I

see the present Minister of Transportation and Communications (Mr. MacNaughton) defending the Spadina decision, which must be almost as difficult for him to speak positively of as was this whole approach to regional development.

Mr. Chairman, I am sure you would agree with me, and I do mean that in a personal sense, that the regional development programme in the province has been a failure; that it has been costly; that it has led to confusion; that the time has come surely to abandon this approach since the regional development areas do not coincide with those areas which have municipal responsibility.

Essentially, this has been the flaw from the start. Essentially, this has been the flaw from the start, I would repeat, Mr. Chairman, because there has been no one prepared to make any sort of decision; and no one, either at the provincial or municipal level of government, who would co-operate and participate in this programme in a way which can only be described with that hackneyed adjective, "meaningful."

Mr. Chairman, I know you want to be relieved of your duties so that you are not going to be associated with any criticism of the government. Still, a man with as much reasonable experience in municipal affairs as yourself cannot help but agree that the regional development programme has been a substantial waste of money and a waste of time.

In spite of that, the budget that is before us in the estimates for The Department of Treasury and Economics calls for a fairly substantial increase in the funds that are to be allocated for this purpose. Last year we spent \$1.7 million and this is up about \$500,000. It must be extremely difficult for this to be justified. I cannot help but think that the increase was justified under the former Treasurer, who had made almost an unreasonable commitment, not only to the programme of regional development but to the personnel involved.

Mr. Chairman, I feel the time has come when, in the kind of decision that the present administration is attempting to make, they will make some of the difficult approaches that will require a new concept of the planning function in this province. Surely the broad base that the Treasurer announced in criticism of the government of Canada, which means that they are dedicated to the concept of decentralization, should be not an argument for a continuation of regional development along the line that has been experienced,

but an approach which would leave local planning to the counties, the areas which have effectively co-operated over the past number of years or to the regions which have been established with municipal authority.

Mr. Chairman, I believe the regional development function should be moved under a broad planning responsibility to the office of the Prime Minister. There is no doubt that Municipal Affairs, The Department of Treasury and The Department of Trade and Development would all have an input, but if we are going to get away from the kind of contest among personalities that has marred and substantially retarded the development of planning in this province, there should be a centralization, in at least the concepts, under the first minister's office. This would relieve the Treasurer of what has in the past been not only a substantial embarrassment but a continued and growing drain upon our tax dollars.

Another area, Mr. Chairman, which I believe should be divorced from the Treasurer, is the whole office of federal-provincial relations. There is now developing quite a strong bureaucracy which is designed to advise the various government ministers in this whole matter of federal-provincial relations. Certainly the Treasurer would retain the normal group of fiscal and financial advisers who, reporting from the Economic Council of Ontario, would give him the kind of ammunition which apparently he requires in dealing with the government of Canada on the matters that pertain to him directly.

He does not deal with the government, but only the Minister of Finance. Surely, it is for the first minister to have the responsibility for overseeing the kind of review, the continuing review of federal-provincial relationships which has become a part of the Canadian Confederation and which undoubtedly will be an important part as long as that Confederation continues. This is one of the offices which is not simply paid for by the Treasurer but seems to be administered by the Treasurer. I do not think it reasonably should continue under his purview and direction.

Mr. Chairman, in looking at the budget that was put before us some weeks ago, I see there are a number of areas that the Treasurer administers over which we would have little or no policy control. Frankly I think that this is a bad way to do business. It means, for example, in the matter of the new approach to land acquisition, with \$20

million budgeted for that purpose, the Treasurer will have to give his final okay, I presume, as it is his responsibility as the minister, before the funds are approved.

Whether this means he is going to have any more particular influence on policy decisions in this regard than any other minister remains to be seen. But knowing the Treasurer and how acquisitive he is as far as the levers and strings of power are concerned I would venture to say that like his predecessor in this cabinet with the same predilections—and I mean the hon. Robert Macaulay—that he will more and more exercise the control—now he is nodding—and this gives me real pause, because surely in the acquisition of lands the final decision cannot be left to the Treasurer.

Whether it is in his capacity as the chief financial officer or the chief planner, or the chief entrepreneur of our relationship with the government of Canada, or whatever other of the primacies that he has taken to himself; surely this has got to be a mistake, Mr. Chairman! If the Treasurer is going to make the final decisions on the matters for which he pays the bills, then we are in real trouble indeed.

Land acquisition itself means that \$20 million are going to be expended in the present budget period; and he is going to make all of the expenditures involving the racing commission and the support—oh yes, it comes under the budget here, and as far as we are concerned, even though an order-in-council has transferred the commission, still the funds that are payable in support of racing and equine research will for the coming fiscal year at least be answerable in this House by the Treasurer, and so it comes under this discussion.

The list grows longer and longer. The total review of all government organizations and the efficiency or the productivity of those organizations have been taken over by the Treasurer. While we on this side approve the kind of research that is needed into the efficiency of government, it is another case where the Treasurer from his position as responsible cabinet officer, will be able to recommend and take many of the decisions affecting the overall policy of other government departments.

Another area is the whole concept of developmental loans—which are payable to education; elementary, secondary and post secondary; to all of the municipalities and a growing list—which is the channel through which, let us say, our operation of the

revenues from the Canada Pension Plan are put to use in this province. The minister, in indicating that all of these areas will be essentially areas over which his policy decisions will be influential, shows, I believe, without any equivocation that the Treasurer has taken over a substantially large area of governmental decision that used to be shared by other members of this administration.

Maybe they are prepared to hand it all over to the new Treasurer, Mr. Chairman, but these matters are on decentralization and apply surely to the administration at the inner level as well as they would to the whole administration in its broader sense.

The very concept that the responsibility of one department would grow by a factor of three seems to me to show the growth of departmental responsibility has not been in tune nor in step with the establishment of new initiatives on a decentralized basis.

Mr. Chairman, the Treasurer, as well as having the responsibilities that I have outlined and commented on very briefly, must manage the debt of the province which this year is going to move forward by an amount approved—at least to be approved by the House—of close to \$800 million.

We have discussed the advance of this debt from time to time and it is well understood that the largest share of this of course is simply the debt that we enter into when we accept our share of the premiums of the Canada Pension Plan for use in the Province of Ontario.

It is well understood that these funds will be repaid to the government of Canada in order to fund the responsibilities that the Canada Pension Plan carries with it, to pay the pensions to our citizens when they become eligible.

But beyond that there will be an increase in the debt of between \$3 million and \$4 million which will be on a basis of specific increased borrowing on the recommendation of the Treasurer.

I have felt for a good long time that if we are concerned about the influence of foreign investors in the business aspects of our province, we should have some concern of the same influence when the foreign investors are asked to take a major role in the financing of our government operations. Certainly we on this side want the money to be borrowed at the cheapest possible rate consonant with giving our own investors in our own province and in our own nation an opportunity to invest in this sort of debenture.

The minister is aware that at one stage—fortunately now in the past and I hope we never approach it again—in the name of the Province of Ontario \$100 million was borrowed at a rate of interest approaching 10 per cent—I believe 9.6 per cent. In questioning the Treasurer of the day—this was Ontario Hydro about one year ago; the minister looks at me with some puzzlement—I specifically asked the Treasurer if this sort of investment would be available to our own citizens. He indicated that it would not, facetiously adding that he might be able to get a bit of it for me if I asked and further indicating that a citizen in this country and in this province might be able to avail himself of this sort of an investment through an American investment house.

Surely this is an approach that should not be continued. There have been several bond issues, either directly or on the part of the Province of Ontario or for Ontario Hydro and thus in the name of the province, which have been entered into in European markets and in the New York market. I feel that before we can do this we must be assured that the investments are available on a continuing basis for those people in this province who wish to invest their funds, not just in a savings deposit of the provincial savings office, but in a debenture of the Province of Ontario.

It may well be that in the whole approach to attracting the rather careful investors in Ontario and Canada into investing in this province, we will have to consider a kind of savings bond approach which will be certainly in competition with national savings bonds but still give our own people an opportunity to invest in the growth potential of this province.

Certainly, I have felt and it has been discussed in this House on other occasions, even this year, that through the Ontario Savings Office and the programmes of The Department of Trade and Development we could offer a programme that would enable our own investors some sort of an assurance that their savings could be put to work by the province, and particularly by provincial development industry, in a way that would give our own investors the financial response which they seek.

Mr. Chairman, you are aware of the kind of advice that has been given to our investors, which has led them in years gone by to invest more heavily in the New York market and in American securities than in

our own. That book, "How to Make a Million," was very specific in that regard. Anyone who invested according to the advice in the book, "How to Make a Million," which recommended investment in the New York market, probably would have lost his shirt because of the collapse of that market in the last year. I hope, Mr. Chairman, that you were not attracted to any kind of an investment like that.

I further believe that we in this House, and certainly the government of Ontario, owe it to our citizens, our taxpayers, to provide an avenue so that a reasonable investment can be made, either in the bonds of the province or, at a higher rate of return and with more risk involved, in the kind of development assistance that, according to the law, can be established through The Department of Trade and Development in this province.

The Treasurer, in his responsibilities this year, has a wide spectrum of alternatives which might even give him some pause. He can command the advice which will direct our federal-provincial relationships. He has been given a special authority to advise the government on economic and cultural nationalism as it applies in this province. He is going to direct the expenditure of \$20 million especially earmarked for the acquisition of land, particularly for recreational purposes. The funds that are to be voted this afternoon, or that will be voted eventually in this estimate, will be directed toward the support of the Racing Commission as well as the racing industry of this province and all that is involved within it—the off-track concept and the alternatives that are available to this province to use that as a substantial source of revenue and not just as something that is going to increase the profitability of investments made in Jockey Club stock or the racetracks of this province on an independent and private basis.

He has the responsibilities, as well, for the direction of the regional development programme of this province, which could have been the most important responsibility of all, but which is seen to be in recent months an abject failure and an area in which the continued expenditure of public funds, particularly to the extent of more than \$2 million this year, is to be substantially questioned.

All of these areas mean that many of the ancillary authorities which had accrued to The Department of Trade and Development over the years have been transferred into The Department of Treasury and Economics. It

means that this has become the most important department of government as far as the planning of the community and the kind of research which will lead to the improvement of government are concerned. For that reason, there are many areas of information which we will require from the minister in the review of his estimates which are now before us.

Mr. D. A. Paterson (Essex South): It sounds like a blueprint for a Liberal government.

Mr. Chairman: The hon. member for York South.

Mr. D. C. MacDonald (York South): Mr. Chairman, the Treasury department is a veritable empire with branches whose responsibilities range from economic and taxation policies to regional development in other instances; from such basic concerns as the administrative efficiency of the whole government, through to such peripheral concerns as control over racing.

I am not going to attempt to deal with the detail of any one of these. I shall leave that to consideration of the programmes for the various individual estimates; and indeed I am not going to spend any amount of time on examining the possible departmental reshuffling that may or may not be advisable to get a more efficient operation within this department or to cope with the minister's well known propensities for acquiring power and exercising it.

What I want to do in my leadoff for the Treasury estimates on behalf of this party is something of an overview on policy. In short, I shall be concentrating for the most part in my leadoff on the section which is known as the policy planning programme.

Let me say a brief word at the outset about the department itself. The Treasury Department is responsible for shaping the economic, fiscal and taxation policies of the government, and on a purely technocratic level the Ontario department is tolerably modern. In short, it has the equipment to do the job. It is the one provincial Treasury department in Canada—Quebec is perhaps another—with the staffing that is adequate enough to do economic analysis and planning.

Unfortunately, the full potential of the department is not realized because it has to operate within a basic policy framework which is out of date. The purpose of the whole exercise that goes on within the Treasury department is not represented by the essentially irrelevant goal of a balanced budget, because a balanced budget is a means

to a far more important end. Yet that is what this government, most old party governments, are constantly preoccupied with.

The purpose of the whole exercise, the objective of the whole exercise, is rather to achieve a balanced economy. A balanced economy is one within which the physical, the financial and the human resources are going to be fully utilized. This is where the Ontario Department of Treasury has failed disastrously in recent years.

It is frankly acknowledged, because of our widespread unemployment and under-utilization of our physical plant, that Canada has lost irrevocably in the past year alone something approaching \$4 billion. Almost 40 per cent of that is lost within the Province of Ontario, and since our taxation resources at the provincial level have, over the years, averaged at about 11 per cent of our gross provincial product, that means we have simply blown between \$150 and \$175 million.

I frankly acknowledge that much of the reason for that failure to achieve a balanced economy lies in the misconceived economic and fiscal policies of the federal government. To a considerable extent they are beyond the control of the provincial government, even a provincial government as large as the one we have in the Province of Ontario. But this government, as we have all learned to our painful experience, spends a great deal of its time blaming Ottawa for all the sins, the collective sins, some of which are its own.

I do not propose to spend any time again this afternoon in bolstering that propaganda attack on Ottawa, there is an appropriate time to do it and we have done it. My contention is that the Province of Ontario is equally to blame, partly because it has failed to take initiatives that are within its power, at least to counter the consequences of the policies at Ottawa, and partly because its analysis of and reaction to Ottawa's policies are riddled with inconsistencies. All too often, the Ontario government is guilty of the same mistakes of which it spends so much time accusing the government at Ottawa.

Let us, for example, take as an illustration of the general situation, the massive unemployment that we have experienced in this country. Basically everyone will acknowledge, as has been pointed out so often earlier in the session this year, that the responsibility and the blame rests at Ottawa. This government, to give it credit, anticipated and analysed correctly the inadequacies of federal policy. A full year and a half ago it was

pointing to the overkill nature of those federal policies. But that being the case, the government is doubly culpable, because having analysed the problem correctly, it then very belatedly—too little and too late—moved in with its own programmes to compensate for it.

The result is that in the figures on unemployment in this country, it is interesting to note that the Province of Ontario is the one province which has recovered least—and it has recovered least, I submit. It is now still coping with something like 180,000 people unemployed, precisely because its own policies to counter the federal policies were so inadequate that they have had painfully little effect this year.

One contrasts it, for example, with the kind of enlightened policies that I think you can find in operation in the neighbouring province of Manitoba. They, too, anticipated rightly the consequences of the federal government's policies, but they took the necessary action in very extensive provincial programmes of job creation. Indeed, it was a job creation programme that produced some 10,000 to 12,000 jobs in the province that experienced, at its peak, no more than 25,000 unemployed—in other words, something like a 40 per cent reaction to the unemployed. Whereas here in the Province of Ontario, after going through many escalations and exaggerations of its programme, they came out with what they themselves acknowledged to be a job creation programme of some 12,000 in a province that had over 200,000 people out of work. In short, a six per cent reaction to the unemployed situation.

So, on unemployment the government is very critical, but the government is guilty of not only misconceived policies but, in many instances, no policies at all. Quite frankly, it places me on the horns of a dilemma to have to choose between a government that acts, even though they may act wrongly, wittingly or otherwise, and a government that does not act at all, or acts so late in the day as to have no effect upon the situation.

Let me give you another example of the confusion and the inconsistencies. I recall being struck one day, back on May 12 of this year, at a statement that was made by Finance Minister Benson, with regard to the failure of the various provinces to co-operate fully with the federal government in its anti-inflation programme. The result, argued Mr. Benson, was that it took us a long time to come to grips with the inflation in Canada.

The next day, quick as a bunny, the provincial Treasurer was up in the House to argue that this accusation had no validity as far as the Province of Ontario was concerned. It is to be found on page 1513 and thereafter in Hansard for May 13, 1971.

Hon. Mr. McKeough: Mr. Benson had implied it.

Mr. MacDonald: He had implied that, had he? Well, he had implied that with regard to—

Hon. Mr. McKeough: Perhaps he had not, but the press reports did.

Mr. MacDonald: Whether he had or not, I thought it was a sort of a general attack upon all the provinces for not having co-operated, but the minister assumed that the cap fitted almost instantaneously. His reaction was an instinctive reaction and at the next opportunity, which was before the orders of the day the next day, he went through a rationalization.

He explained how they had attempted to work out the programmes. He pointed out that Ontario did cut its expenditure estimates for 1970-1971 and this year very much in line with the proposed guidelines with regard to shared-cost programmes. He went through some explanations of the efforts by the government, though it was a separate package, to get a joint approach to wage guidelines. He argued quite rightly that the government had expended a great deal of effort to impose those wage guidelines at least upon public servants, if for no other reason than to assuage their own conscience, since they had done nothing to impose the same effort to control prices out in the private sector which repeatedly government spokesmen say is none of their concern at all.

But if there is anything that intrigues me, Mr. Chairman, about this, it is that if the provincial Treasurer was so hasty in replying to the suggestion that the Province of Ontario had not co-operated fully with the federal government in its anti-inflation programme, the provincial Treasurer cannot have it both ways. If he agreed basically with what the federal government did, and if as he argues Ontario co-operated fully, this government must accept a share of the responsibility for the consequences which we found in the massive unemployment.

Mr. C. G. Pilkey (Oshawa): Right!

Mr. MacDonald: But is that the line that the government espouses day in and day out in their whole attack upon Ottawa?

Hon. Mr. McKeough: It is a question of timing.

Mr. MacDonald: Sure it is a question of timing.

Hon. Mr. McKeough: A question of timing surely? Oh, go ahead!

Mr. MacDonald: Thank you. I shall go ahead anyway.

Let me turn to another overview of government policy, Mr. Chairman. This year the government contends that it has presented an expansionary budget. Ironically, its increase in expenditures over last year is only 10.7 per cent. I say "ironically" because this was an expansionary budget. The author of it contended it was expansionary and yet this 10.7 per cent compares with the last four years of annual budgetary increases which, Mr. Chairman, were 18.2 per cent, 18.7 per cent, 21.2 per cent, and 26.4 per cent.

During all of those years the government's theme song was constantly one of retrenchment. When they expand they have an expansion of the budget by only 10 per cent, but when they retrench they have an expansionary budget that ranged anywhere from 18 to 26 per cent. And that retrenchment of years gone by was combined with a persistent lament about the evils of excessive government expenditure!

Mr. P. D. Lawlor (Lakeshore): Blah! Blah!

Mr. MacDonald: We have heard so many sermons about that. This was the dulcet undertone or overtone to underline my comment, Mr. Chairman, in case you thought one of the hon. member for Thunder Bay's (Mr. Stokes) savages had wandered into the House.

Last year, if I may return to my theme, the government's lament about the excessive expenditures—

An hon. member: It was the member for Lakeshore's savage.

Mr. MacDonald:—reached ludicrous proportions—ridiculous heights—when the provincial Treasurer talked about "The encroachment of the public sector on the economy."

What, one wonders, does that possibly mean? The public sector particularly in Canada, ever since Confederation has been

a very integral part of the economy. If the public sector has grown in the post-Keynesian world, it is because governments have recognized that they have an obligation to expand the public sector to compensate for what the private sector was unwilling or unable to do. To talk about the public sector encroaching on the economy is to speak in doctrinaire terms that are completely out of touch with the real world.

But, Mr. Chairman, it is sheer hypocrisy to talk of retrenchment and the evils of government spending when the same government which is doing the talking is responsible in Ontario, for example, for budget increases from \$1,456 millions in 1965-1966, to \$4,262 millions this year. In six years—six relatively short years—this government's budget has tripled. While preaching restraint the government has been responsible for practising an expansion of public expenditures so massive as to be absolutely unprecedented.

Mr. Lawlor: The Treasurer talks out of one side of his mouth.

Mr. MacDonald: Well that is the contradiction. I applied that description to so much of the government's approach and attitude and policies, it is contradiction. I referred to it in the instance of unemployment. I referred to it in the government's reaction to the Benson statement on May 12. Then, of course, they always construe this into sharply political overtones. Indeed, we got a little bit of a sample of it earlier this afternoon when "William Thatcher Davis" was doing a bit of tub-thumping, which he thought was going to be effective politics, with regard to the New Democratic Party.

The Prime Minister was speaking in tones that normally are the ones we hear from the provincial Treasurer, because the provincial Treasurer is the self-appointed crusader to save the Province of Ontario from socialism. He sought the leadership during that campaign and did not learn anything in the results of that regarding his misconceived approach; and now he is pursuing it again.

But you know, while "William Thatcher Davis" was speaking this afternoon, my colleague happened to be reading the News Chronicle from Thunder Bay, and it was rather appropriate that the first sentence in their lead editorial reads as follows:

The stunning victory of the New Democratic forces in the Saskatchewan election, is a clear warning to old-line political parties at all levels that the usual style of politicking is no longer good enough.

It speaks for itself, and we trust that "even the slow learners of the past may catch on."

However, let me proceed, because I repeat, the provincial Treasurer is the past master at this game of taking all of these issues and wrapping them up simplistically into a sort of a political bundle. But his Prime Minister, the new Prime Minister, who used to be much more sophisticated about this, is reaching to these depths too.

I was rather teased when I got a copy of his speech when he went out to launch "Tom" once again at the nominating convention for the hon. Minister of Social and Family Services (Mr. Wells) in Scarborough North on April 26. Listen to this, Mr. Chairman:

We want the private sector to help resolve the economic problems of the moment. We believe that massive government spending is only a short-term solution at best.

Now let me pause. When this government has been increasing budgets on an average of about 20 per cent per year over the last five years so that there has been tripling of the budgets since 1965, it comes as passing strange that the leader of the government, and a key person in it, should be talking and deploring massive government expansion in its spending. However, I pick up on his speech:

The kind of approach suggested by our socialist friends will not, in fact, resolve the economic problem of Ontario and Canada in any short-term, or certainly long-term way. It is necessary to point out that as we move toward an election, more people are recognizing—

Well I wonder. That is my comment en passant.

—more people are recognizing that the enlightened free enterprise approach is better economically and socially for the people of this province. The socialists approach their doctrine in a way that will be economically inhibiting for each one of us.

Mr. Chairman, that is the old garbage, the old shibboleths they have been uttering for years and they mean nothing. It is the old-style politics. However, it is the final paragraph that I wanted to quote from the Prime Minister.

"And I make no bones about it, Tom," said he in one of these affectionate and intimate asides. "I am one of those—and I would like to think that you support this point of view—" Imagine asking Tom Wells whether he would

support this point of view; there was carrying coals to Newcastle. "—to think that you support this point of view, who will have no part of any further encroachment by the socialists as far as political life in this province is concerned."

Having read that, Mr. Chairman, I want to show you just once again how incredibly inconsistent this government is. Because about six weeks later, the same Prime Minister, in speaking about the general thrust of the government in its approach to business and the economic and taxation policies, was asked to speak to the Chamber of Commerce in Peterborough. I do not know what had happened, because something had really provoked him to facing the realities of the world. He made a speech which I shall quote from the *Globe and Mail* report from Peterborough, without any interruptions, because I think the interruptions might spoil the whole delicate flow of the Prime Minister's argument that day.

Premier William Davis last night gave businessmen a mild scolding for holding on to outdated and unrealistic attitudes toward governments. Speaking to the Peterborough Chamber of Commerce, Mr. Davis said that too many businessmen still believed that governments should be run on strict business principles and should ignore pressing social problems.

"Sometimes I think that the rhetoric of the business community has fallen two or three decades behind the reality of the business practice and responsibility. Often the language in briefs and submissions to government sounds like a throwback to the days of the robber barons."

The Premier said that he often hears businessmen asking for various concessions from government, while suggesting that government should abandon outstanding social problems. "It is not enough merely to talk about cutting back on spending, getting rid of the bureaucrats and generally blaspheming big government. The temper of the times has changed."

Government today must respond to a wide variety of demands from the public and from business, Mr. Davis said, and can no longer limit itself to only a very few functions. "Now we administer and create a range of social programmes and concepts as sophisticated as those anywhere on earth and our sessions of the Legislature continue virtually on a year-round basis. The clock is not going to be turned back. The days of simple, uncomplicated government are gone forever."

Mr. Davis told the businessmen and their wives that unless they realize this and act upon it, they will only be hurting their own interests. If private enterprise chooses to answer the complexities of modern government with the simplifications of the past, then it will become an accessory to the very government growth which it deplores because its alternative solutions will not be taken seriously.

The Premier said he shared the business community's concern that the continued growth of government will distort the social fabric. He called on businessmen to work with government to develop solutions to social problems that would not involve massive, universal and expensive government programmes.

Now Mr. Chairman, I ask you for one moment to note the different thrust of that kind of an argument to the one that one normally hears, from this government, including the provincial Treasurer. Let me give another example of the inconsistency—in fact, how the department and this minister play games. Maybe I should absolve the department and say this minister played games with the study that the department did.

Back on March 9, in the first speech the minister gave when he took over this portfolio—he was addressing the financial executives institute here in the city of Toronto—he announced that as an illustration of the government striving for greater efficiency in administration, a study was carried out under the auspices of the Treasury Board—"to review the effectiveness and efficiency of our various programmes of grants, loans and subsidies."

He noted that the study had been finished early in 1960 and he proudly asserted that, as a result, a steering committee, charged with the task of following through on his recommendations had been able to report in December that more than \$5.3 million were saved in the current fiscal year—presumably the fiscal year that ended last March 31.

Now I asked the minister if he would table a copy of that report, because it seemed to me if it was as important and as useful and as effective a document as the minister suggested that perhaps we in the House should be privy to it. The minister said no, it fell into the category of these interdepartmental memos that are not public. But he did deign to send me a list of the cuts that had taken place to aggregate this \$5.3 million; and I want to draw them to your attention, Mr. Chairman.

There were seven different items that were components to this \$5.3 million saving. Interestingly enough the first one, for \$150,000, was the elimination of bursaries to students of agriculture. The next one, for \$75,000, was the phasing out of bursaries to veterinary students. The third one, for \$1 million, was cutting back on capital grants for farm development.

If I may pause there: This so-called cut-back in programmes—and it is a good thing I can say this in the presence of the Minister of Agriculture and Food (Mr. Stewart)—from a government which presumably is a friend of the ailing agricultural community and doing something about it, something like \$1.25 million of the \$5.3 million were cut-backs to the agricultural community directly.

Next was "containment of library grants" to the extent of \$326 million affecting all areas, including agriculture—

Hon. Mr. McKeough: Thousands.

Mr. MacDonald: I am sorry, \$326,000.

Now the final two, Mr. Chairman—

An hon. member: Left with very little!

Mr. MacDonald: The final two of them, first, \$3.5 million, "application of the CAATs surpluses to 1970-1971 grants." In short they just applied the surpluses from one year to the grants in the next year and they presented this to the public as being a saving—\$3.5 million of the \$5.3 million.

And the final item, for \$300,000, was interest saving on cash transfers to the CAATs and Ryerson. So that you had close to \$4 million which was just juggling of the accounts.

Hon. Mr. McKeough: One-time savings.

Mr. MacDonald: Yes, carrying surpluses forward from one year to another, and this was presented as the great efficiency achievement of an interdepartmental committee working under the Treasury Board. Mr. Chairman, this kind of effort to brainwash the public into believing that something really substantive is being done is surely not going to wash it off.

Last year—let me conclude this portion of my remarks—a report was made available to the federal and provincial governments on the outlook for taxation and spending for the current two-year period. This report was apparently compiled from information brought

together by the various provincial representatives in the federal-provincial conferences. And these figures had been submitted in the first instance as confidential, and according to some news stories there was a great deal of hemming and hawing behind the scenes as to whether or not this information should be permitted to be made public, but ultimately it was.

It is interesting to read that the only government that sounded a modern note of frankness and realism was the New Democratic government of Manitoba. Let me give you an example or so. The majority report of the other provinces—minus BC, which refused to play ball—plus the federal government, noted with concern that rising spending implies that the government spending will use a growing proportion of the GNP—up from the current 34.7 per cent to 36.5 per cent by 1975.

Manitoba dissented in these words:

The Manitoba government believes that solutions to the problems of urbanization, pollution control and regional disparity will demand even further marked expansions in public services and commitments in the years immediately ahead, than those indicated in these projections."

And thus, as Tony Westfall pointed out when he reported it in a column, the social democratic view that expenditures and public services must take precedence over private spending is heard once again after a long absence in the highest councils of the nation.

And before the provincial Treasurer revives that lament about how bad these growing government expenditures are, let me remind him once again that his government's actions speak louder than words, and it is about time he quit repeating his words ad nauseam when they are not backed up by the facts.

No government has been responsible so consistently for budget increases while preaching restraint. Why does the government try to brainwash the public with outmoded concepts of free enterprise?

A second example. The provinces cannot deny their own forecasts of rapidly rising expenditures on essential services, but they do not want to admit that this means a growing share of the national wealth is going to the public; so the provincial majority including Ontario suggested quite realistically that Ottawa could reduce its expenditures to offset the needs of the provinces "without necessitating channelling of a greater proportion of the national product into the public sector."

Once again Manitoba dissented:

The Manitoba government believes it is more important to ensure continuing support for essential services and development than to set arbitrary limits on that support."

And thus, commented Tony Westell: Manitoba faces fiscal and political realities which the other provinces seek to avoid.

A third and final example: The majority report speaks of:

The pressing need to minimize deficits for the government sector as a whole as a means of helping to bring prolonged and severe inflation under control.

Manitoba countered:

The Manitoba government does not believe that minimizing deficits for the government sector as a whole as a step taken in isolation is necessarily appropriate for the control of inflation.

And Tony Westell commented once again:

So now there is an opposition behind the closed doors of federal-provincial conferences. Liberal and Conservative governments may share the same economic ideas; the Schreyer government dissents and serves a national purpose by inserting its views into the record.

Mr. Chairman, Manitoba has been joined by Saskatchewan, and close behind comes Ontario. The voice of reason, freed of hoary old shibboleths as a substitute for modern economic analysis and planning, is growing in the nation. But as this budget reminds us, there is still a garbled mixture of the outworn theories and political sloganeering here at Queen's Park.

Now let me turn, Mr. Chairman, to another aspect of policy planning, namely, federal-provincial affairs. In the wake of the Victoria conference, I think this is of critical importance; whether it should be within the Treasury Department or otherwise, for better or for worse, that is where it is.

Let me begin with a personal observation, Mr. Chairman. I had the pleasure a couple of weeks ago, under the careful guidance of the Deputy Speaker of this House, to be a member of a commonwealth parliamentary association delegation visiting the Quebec National Assembly, by coincidence, I think, in precisely the same three days as the federal-provincial conference was taking place in Victoria.

I have a suspicion that if one was not in Victoria, and from some of the accounts of how outside everybody was even though

he was in Victoria, perhaps even if one was in Victoria it would have been much better to have been in Quebec City as a sounding post, or a listening post, as to the whole impact of that conference on this Canadian nation.

I came back from Quebec with a number of very distinct impressions. One of them, of course, always is the incomparable hospitality of our French Canadian friends and the almost breathtaking beauty of Quebec City. Surely it is one of the most beautiful cities in the world.

But my most vivid political recollection or impression was in any number of wholly impromptu but essentially private discussions with members of the Quebec National Assembly, to discover how profound was the disillusionment across the board, including the Liberal members of the Quebec National Assembly, with Trudeau and his policies in Ottawa. The relevance of that observation has been underlined by subsequent events. Throughout the whole process of constitutional review that has gone on in the 1960s the voice of Quebec was a consistent voice, whether it was Jean Lesage or Daniel Johnson or Jean Jacques Bertrand or Robert Bourassa, it was essentially the same voice from the Province of Quebec, making essentially the same kind of demands. And it is interesting to recall that when the Union Nationale won power and the Liberals were out in the opposition that efforts were made by the federal Liberal Party, which usually tried to control and often with a considerable degree of success, their provincial counterparts in the two central provinces of Canada, the federal government moved to push Jean Lesage out, and they succeeded in pushing Jean Lesage out. He quite frankly said that he was being pushed out.

Presumably he was going to be replaced by Jean Marchand in the first instance, so that you would have the kind of cosy partnership and complete agreement with Ottawa policies but that was not possible. Claude Wagner was too authoritarian a figure and Robert Bourassa became the leader of the party, for better or for worse.

From the outset, he lived somewhat in the shadow with a tarnished image because he was not regarded as a strong man and indeed that image became even more tarnished last fall when it was considered that he was very much the puppet of decisions that were essentially made in Ottawa to cope with the whole crisis that provoked the invocation of The War Measures Act.

The Quebec Liberal caucus, it becomes obvious Mr. Chairman, has moved very, very far in the last six or eight months from the kind of trusting subservience which characterized their position then during The War Measures Act crisis.

Now the image in this country for a number of months, indeed for the last two or three years, has been that the Conservative Party and the New Democratic Party have had very great difficulty in achieving unanimity and a viable policy with regard to the province of Quebec and the problem of the province of Quebec in federal-provincial relations, whereas the Liberal Party has achieved unanimity on the issue.

Well the myth of that unanimity has rather disastrously been shattered. The rejection of the Victoria charter was nearly unanimous, and why? Well I was rather struck by what seemed to me to be an eloquent and, in my view, as valid an assessment of this as I have read in the last couple of weeks, and I think I will put it on the record. It is the first and opening paragraphs of that article of Claude Lemelin of *Le Devoir*, in a special article which he wrote for The Toronto Telegram. It was published June 24. I quote:

Quebeckers can easily sympathize with the shock and disillusion that has swept across English Canada, following Premier Bourassa's rejection of the Victoria charter.

For those among us who have been warning for years that Prime Minister Trudeau was leading the rest of the country up the garden path on the Quebec "problem", it was, of course, all too predictable.

With his soothing logic and claim to being "one of them," Mr. Trudeau was able to promise a simple solution to the "problem"—that is, one that would not alter fundamentally the power relationship between the two nations of the country, which has been for two centuries one of domination of French Canada by English Canada.

That promise, however, to which the country responded from Halifax to Vancouver with unprecedented abandon, was based on the gross misreading of the structure and dynamics of Quebec society.

Sooner or later, Mr. Trudeau's bluff had to be called; it is perhaps fitting—and most significant—that it was finally called by a government in Quebec that has strong affinities with Mr. Trudeau's party, whose decisiveness and coherence of vision, leave

much to be desired, and which was elected on precisely the sort of platform that fits the base political motivations the Prime Minister ascribes to the Quebec "masses": 100,000 new jobs, the juicy plums of profitable federalism, the end of petty squabbles with Ottawa and so forth.

At no time, since the beginning of the Quiet Revolution, has the writing on the wall been clearer; and if English Canadians could be brought to read that stubborn message, hope could be rescued from the Victoria fiasco.

I think there may be something in that contention, and what I would like to examine for a moment is how we might rescue hope from the Victoria fiasco. If we are going to, Mr. Chairman, I think there are a number of points we have to recognize. We have to recognize the fact of near-unanimity of views in the Province of Quebec with regard to the decision that Robert Bourassa decided that he had to make. Not only outside the Legislature, where spontaneously there began to emerge a front involving the teachers, the trade union movement, the CNTU as well as the Quebec Federation of Labour and the St. Jean Baptiste Society, but also within the Legislature where you have all opposition parties, and for reasons I have indicated earlier did not surprise me, an overwhelming proportion of the Liberal Party. If Bourassa had not rejected the Victoria Charter, there is good reason to believe that two or three and perhaps five of his cabinet would have resigned.

Now English Canada can get whatever satisfaction it can from the fact that if Bourassa had not rejected the Victoria Charter, he would have set the stage for an unprecedented surge in separatist strength in the Province of Quebec. Because widespread objections, which obviously exist near unanimity, would have had to find expression or political outlet somewhere. If they did not get it through the established government, they were going to get it through what is emerging increasingly as the real opposition, namely the Parti Quebecois in the Province of Quebec.

Now, how did this situation come about, Mr. Chairman? It is of vital concern to us and it takes us back to Victoria. At Victoria, Pierre Elliott Trudeau continued his tough, inflexible attitude and he climaxed it with a 10-day ultimatum warning that if the Victoria Charter was turned down the whole process of constitutional review was going to be postponed for the indefinite future.

But the situation was created by the attitude of the provinces as well. Most of the provinces did not understand and did not care about what was happening in the Province of Quebec. They were unwilling to accommodate Bourassa so that he would have the room to cope with the forces not only within his own party but within the whole of the Province of Quebec. You had attitudes ranging from the red-neck attitude of "Wacky" Bennett, but shared in varying degrees by many of the provinces. And the result was a polarization of Trudeau and the English-speaking provinces lined up against the Province of Quebec.

Mr. Chairman, where was Ontario in all this? Ontario also did not appear to understand or care what was happening, at least those are the reports of the most perceptive observers who attended the conference at Victoria.

The whole thrust of the government of Ontario was to get the conference over as quickly as possible. There was no mention, for example, in the opening statement of Ontario to the conference, of Quebec's basic demands and theretofore a recognition of how important those basic demands were in the give and take of the conference, intentionally or otherwise. Ontario played a part in the subtle game of collusion with Ottawa that resulted in the isolation of Quebec.

Frankly, it was not so much what Ontario did but what it did not do. It took no initiative. It is not unfair to say that the absence of the member for London North (Mr. Robarts) was felt at Victoria more than the presence of the present Premier of Ontario, because it was never evident that the Province of Ontario was to take a lead.

And this is the tragedy of the situation, Mr. Chairman, because the role of the former Premier (Mr. Robarts), to which I have paid tribute in terms of federal-provincial relations down through the 1960s, was when the red-necked propensities of many of the provincial premiers began to be expressed, the man who inevitably took the stand and, in effect, called a halt to it and undercut the polarization, was Robarts.

Where was Davis? That did not happen this time. And the result is that Quebec was left with no alternative but rejection, because all the Victoria charter gave them at the moment was the symbolism of achieving an amending formula and patriation of the constitution back to Canada; a symbolism that is important in English-speaking Canada, but is the shadow rather than the substance

when you get to Quebec, because in Quebec they are interested in some of this division of power and fundamental changes that are going to make it possible for them to be able to cope with their situation in that province.

Where do we go from here, Mr. Chairman? In the first instance, I think we have to withstand the emotional satisfaction that is engaged in, is indulged in, by so many people in Canada today, many of them in the Province of Ontario who in effect, say: "Well, let them go. If they want to go; let them go!"

Let us pause for one moment and face anew the prospect that if Quebec goes, Canada, as we know it, has gone. You end up with a country that is not only balkanized, in terms of the west and the maritimes having less capacity and conceivably less will to withstand the pull of the United States, but you end up with the geographic balkanization, with the whole central part of the country drawn into another so-called associate state.

Whatever may be the fleeting satisfaction of a realized separatism of Quebec on the part of the Quebec separatists, or on the part of the English-speaking separatists throughout the rest of Canada, I think the time has come to say rather frankly to them: "Just pause for a moment and look beyond the end of your own nose at the kind of situation you will really face." And it is my profound conviction that neither of us will be better off, both of us will be infinitely worse off.

So now, surely, the challenge is to get down to the issues.

In the July conference, this fall, solve some of these issues on an ad hoc basis, problems that have been neglected for so long in the sterile legalism of constitutional review that has gone on for the better part of a decade. And in the process seek pragmatically solutions—some guidelines—to the division of constitutional responsibility and revenue sources appropriate for the implementation of those. But it is my growing view, Mr. Chairman, that we are not likely for long to be able to avoid getting back to the constitutional issue.

I think the reasons are worth considering for a moment. Bourassa himself, interestingly enough, has made subsequent statements indicating that the charter is not dead. Freed of the disastrous imposition of a 10-day deadline, the whole process is now going to go on. Too bad that Trudeau could not have inherited from his predecessor, Mr. Pearson, some of the basic qualities of a negotiator

and a diplomat; he would not have engaged in that sort of a game.

But the reason why it is going to go on, in my view, is because the rapid strengthening of the separatist forces may have been momentarily checked by the rejection by the government of the Province of Quebec of the Victoria charter. But the Parti Quebecois is still left with a powerful argument that Victoria proved conclusively once again that Quebec's fundamental demand cannot be met constitutionally.

So, in Canada's interests there is going to be a sort of an emotional requirement that we can prove that the constitutional process is not completely a sterile and a bankrupt one. And in English speaking Canada, as I noted a moment ago, there is the important symbolism attached to establishing an amending format after chasing it so elusively for years, as well as the patriation of our constitution back to Canada.

Admittedly, Pierre Elliott Trudeau remains a great question mark.

I listened with some puzzlement and mystery as I watched him on TV last Friday night when his whole stance was, "Well the ball is now back in Quebec's court. If they have got some new ideas, let them pass them on, and if they will pass them on to me, I will pass them on to the other provinces. If they can persuade the other provinces, then who am I to object?" In short, if Quebec can now persuade the other provinces, presumably Mr. Trudeau would be willing to forego the rigid inflexible approach to confederation which has been his constant concept.

One wonders if those were just words or were they a glimmering of hope with some degree of flexibility? In fact Claude Lemelin concluded his article with the comment: "Could sociologist Fernand Dumont be right? Is Pierre Elliott Trudeau the grave-digger of confederation?"

Ontario's responsibility henceforth, Mr. Chairman, is that just as Ontario played a key role in breaking the drift on constitutional issues that grew up during the Pearson regime by Mr. Robarts' calling of the Confederation of Tomorrow conference, so Ontario can and must play the key role in breaking the deadlock created by the Trudeau intransigence. We must clear our thinking and give leadership.

If I may just recapitulate, we have got to recognize that Quebec solidly backs the demands that have been made from Jean Lesage through Daniel Johnson; through Jean-Jacques

Bertrand to Robert Bourassa today. They are not an aberration. They are not the views of the extremists. They are the views of an overwhelming majority of the province and therefore one has to live with that as a reality if one wants to retain Canada, including the Province of Quebec.

Secondly, we have to realize once and for all that Quebec is not a province like the others. With its traditions, no matter what Trudeau, as one of them may argue, Quebec is not a province like the others. To ignore both of these facts, the overwhelming support that Quebec is not a province like the others, we must move to a much more decentralized form of federalism than perhaps has been our wish and the fact in the first 100 years of Canadian history.

I was interested in the concluding sentence of the lead editorial in the *Globe and Mail* on April 28 which read as follows: "It may be that only a looser federation can preserve any federation."

I wish the *Globe* had not forgotten that when they wrote their editorial the day after the rejection of the Victoria conference. They must have been written by two different people who had not had an editorial conference to reconcile their views.

Also I think it is well to recognize the anomaly that has existed in the whole debate on this issue throughout recent months. I noted again, on television one night in Viewpoint, a professor from Sir George Williams University in Montreal who made this point—namely that while the rest of Canada has been talking about the constitution with a little bit of fiddling involved, patriation of the constitution and an amending formula, but not much more beyond that, in Quebec, the debate has been a debate between the separatist position and a new decentralized form of federalism. Never were the two solitudes more magnificently or more sadly illustrated. We were not debating the same thing, in English-speaking Canada and French Canada.

I think what we have to do—and I say this to the provincial Treasurer as one of those who is involved along with his Prime Minister—at forthcoming conferences, what we have got to do is to maximize the areas of agreement that exist instead of polarizing Quebec and the rest of the provinces and creating an even sharper cleavage.

For example, when Cournoyer, the Minister of Labour in the Province of Quebec, demands paramountcy over manpower retraining; is this not precisely what this province

has been asking for a long time—from William Davis as Minister of Education, to William Davis as Prime Minister? When Quebec's Communications Minister L'Allier demands greater control over communications, particularly cable TV, is this not what Ontario has been demanding? Why were not these areas of agreement emphasized in Victoria instead of permitting this disastrous polarization?

On the key issue of social policy, I am not today going to get into the details of it, because obviously it is very very complex and very controversial. But can we not sort it out without being hide-bound by past approaches to the same degree that we have so far in constitutional review?

In retrospect, for example, Mr. Chairman, surely it is now obvious that this nation was not weakened, indeed that this nation's welfare was strengthened by the arrangement that was worked out in pensions.

An hon. member: Hear, hear!

Mr. MacDonald: Let us recall for a moment what happened on pensions. The federal government came down with a proposal which was opposed by Quebec, and indeed was opposed by the Province of Ontario until the 11th hour and 59th minute.

Because of the opposition of Quebec, two things happened. One, the federal pension plan was increased so that it is something approaching the needs in the face of the Canadian cost of living instead of the inadequate figures that were first attributed to it by the federal government. Second, because of the give and take that emerged in reconciling a Quebec pension plan with a Canadian pension plan, we got agreement that the moneys were not going to be solely available to Ottawa. Indeed, for the most part they were going to be sent back to the provinces in accordance with the source from which they came so that they would be available for capital investment by each of the provinces.

Let me remind you, Mr. Chairman, and remind the hon. members of the House, that that kind of a pension plan has done nothing to weaken Canada. I would venture the suggestion that most of the people in Canada do not know that we have got what might be described as a balkanized pension plan. It is fully portable.

Is not something of the same approach available on many, many of the social policies? Quite frankly at this point, I—and I think I am accurately reflecting the New

Democratic Party—would not know where to draw the line. I think that most of them should be examined and can be examined in that context—the minister nods affirmatively; I am glad to see that—with perhaps the one reservation of a guaranteed annual income, because the only objective that we must never forsake is the establishment of national standards and an insistence that those national standards will be met no matter how one implements any given social policy. If that is done, surely one does not have to be hide-bound by the kind of approach that assumes that every province is the same.

On Sunday morning, when I was listening to the CBC radio review of the week, I was interested to hear the Premier-elect from Saskatchewan commenting—what a refreshing change to hear him rather than Ross Thatcher—on federal-provincial relations, making the comment that Canadian people have certain needs.

Mr. R. S. Smith (Nipissing): You used to think Ross was great when he followed you.

Mr. Nixon: That takes you back, that statement of yours.

Mr. MacDonald: If you will forgive me, Mr. Chairman, I am taken aback by just how completely wrong it is. I might have told you many years in advance, before events proved the kind of character he was, that he was that kind of character.

Mr. R. S. Smith: That is when you were working for him.

Mr. Nixon: Tell us about Hazen Argue.

Mr. MacDonald: Hazen, too. You are welcome to them. God bless you. You are welcome to them.

However, let me get back to the point that I was attempting to make.

I think we have got to explore these social policies. We perhaps have to draw the line at one like the guaranteed annual income, because it is so basic and it requires the resources of the nation as a whole. But, in examining them, it seems to me that we can have a much more flexible approach than we have in the past.

And I repeat, here, in the Province of Ontario, is where the lead must be taken. Here is an opportunity for Ontario to return to its historic role in Confederation. That is, if you will, as a sort of an unofficial leader of the English-speaking provinces, partly be-

cause it is the biggest and most powerful of the provinces, and partly because it has the very great advantages of historical and geographical associations with the Province of Quebec, which make it possible for the Province of Ontario, with enlightened, vigorous, imaginative leadership, to do something that can bring results.

Without Ontario's lead, we are going to continue to drift. With Ontario's lead, which was tragically absent in Victoria, we can get back at the game in terms of resolving ad hoc problems to begin with and, conceivably earlier than we realize at this point, even get back to the constitutional issue.

That was a secondary area of policy planning that I wanted to deal with. I invite the minister's reaction to it, either now, or when we get to the specific estimate.

Mr. Chairman: Does the hon. minister have a reply?

Hon. Mr. McKeough: Just several comments, Mr. Chairman.

I think many of the items that have been raised by both the Leader of the Opposition and by the member for York South perhaps would be better dealt with under the specific votes. First of all, may I assure the Leader of the Opposition, however, that the growth of The Department of Treasury and Economics is not nearly as spectacular in terms of dollars and cents as he would perhaps have the House believe. The growth from \$11.9 million in 1967-1968 to \$30.6 million estimated this year—a growth of some \$19 million—is for the most part accounted for by two figures; \$10 million, which is the contribution you will find under the government benefit plans for the unfunded liability of the Public Service Superannuation Fund; and some \$4 million—which were the two new items under that heading announced last year and previously—to increase the benefits to those already on retirement.

So of the increase of some \$19 million in the five-year period, that accounts for \$14 million of it. The balance, I think, can be accounted for in the increase in staffs and various other normal growth associated with the business of government.

The Leader of the Opposition talked about the decentralization of government, the planning study—both of the critics did so. Some of these things will be bouncing back and forth, I suppose, between The Department of Treasury and Economics and the Treasury Board.

We have under way a study within the Treasury Board indicating the possibility perhaps of location of certain departments, or parts of departments, outside the Toronto area. That study will be available, we think, in about four to six months time. But I appreciate the Leader of the Opposition's comments, and his views on decentralization, which I think all of us feel is highly desirable except those who find that they are going to be decentralized and then we seem often to run into a brick wall.

The matter of the Ontario Economic Council being transferred from Trade and Development to The Department of Treasury and Economics, or perhaps to the Prime Minister's department, I think is not of major import. It seems to me that the most important thing—and the Leader of the Opposition said this—is that the Ontario Economic Council should have an independence of view, an independence of approach and of staff, whatever minister comes to the House to ask for their funds.

It is not necessarily important which minister it is, although perhaps there is a relationship between Treasury and Economics and the Economic Council which should be looked at, particularly the area of duplication of studies, to ensure that whatever work is done, either by the department or by the Economic Council there is not that kind of an overlap. That is one of the things which is being looked at by the committee on government productivity at the present time.

The federal-provincial relations secretariat the Leader of the Opposition commented—I think I am quoting him—that “the secretariat directs our federal relationships.” It does not, flattered as it would be with that description or as the minister is with the description of some parts of his staff. I could hardly say that the secretariat directs our federal relationships; that is done by the Prime Minister and the cabinet as a whole.

The secretariat is the vehicle by which co-ordination between not only the federal government and the Province of Ontario but other provinces as well is co-ordinated and achieved. It is not just the constitutional review which occupies the time of the secretariat. It is concerned with our federal-provincial relationships; our interprovincial relationships in such areas as agriculture, bilingualism and biculturalism, consumer protection, environmental management, Indian affairs, securities regulation, telecommunications, transportation, urban affairs. I think members of the secretariat are involved daily

with other government departments in their external relationships in attempting to achieve a uniformity of approach across the whole government.

Where the secretariat is located I do not think is particularly important. The Leader of the Opposition mentioned that it might be assigned to the Prime Minister's office. I would have no strong views on this. The Prime Minister in the past has taken the view that his staff would be a small staff and that the secretariats—and there are a number of secretariats—would not necessarily be associated with his office. But I have no strong views on this except to say that a great deal of the backup work for the secretariat itself is done by other branches of Treasury in the whole policy planning area and the taxation and fiscal policy area. There is a close working relationship between that branch and other parts of Treasury, and for that reason it may be that the secretariat should stay where it is; but I do not think we hold any strong view on that matter.

If the Racing Commission is worrying the Leader of the Opposition, the vote will be transferred to my colleague, the Minister of Financial and Commercial Affairs (Mr. Wishart) as soon as these estimates are approved. It will be a transfer by way of Treasury Board order and that great sum and all the power that is attached to it will no longer be exercised by the Treasurer. I will not even—

Mr. Nixon: It is going to be an interesting matter of developing policy.

Hon. Mr. McKeough: It is. It is a very interesting matter, and perhaps we will be discussing that later on. In the process, though, I will lose such emoluments as invitations to the Queen's Plate and so on. But the minister of—

Mr. MacDonald: Is the minister sure?

Mr. Nixon: I doubt it.

Hon. Mr. McKeough: Perhaps not? Perhaps not. That is interesting.

Mr. Paterson: The hon. minister may lose that invitation for another reason.

Hon. Mr. McKeough: No, and I regret that during the short period I have had the Racing Commission—and I regret this most sincerely—I never met with the entire commission, nor was I able to take advantage

of any of the field trips associated with that particular commission as the minister responsible for it.

The Leader of the Opposition mentioned the Land Acquisition Corporation; legislation is not yet ready to present to the House on this. It will be. I do not want the Leader of the Opposition to think that this is going to be some sort of a \$20-million plaything in the hands of the Treasurer. We are not entirely sure what form this corporation will take. I imagine it will be modelled along the lines of some of the other corporations—university capital aid, educational capital aid—in which the views of the several related departments are made known and, although they stand in my estimates, by no means have I the control over them, with this one exception: We envisage, the Land Acquisition Corporation—the land bank if you will—as being a very large tool in the regional development programme. So I think perhaps it is fair to say that as long as the regional development branch remains where it is, then the corporation will have somewhat greater direction from Treasury and Economics than it might from some other department of government. I think the Parks Integration Board may well be involved; as are several, one or more of the cabinet committees.

Regarding foreign investment, the Leader of the Opposition again raised the matter of our borrowing. Perhaps it would be well to put on the record very briefly just what does happen. At the beginning of the fiscal year, the Deputy Treasurer and the treasurer of Ontario Hydro sit down together to compare notes and determine between them what are likely to be the financial borrowing requirements of both Hydro and ourselves. Some reference is made—and not enough, I might say—in that exercise to the borrowing requirements of the larger municipalities; there should be a greater integration of that—that will come. The notes are compared as between Hydro and the province and then the syndicate managers are consulted. The syndicate managers are a different firm for each of Hydro and ourselves, and it is determined as to when the appropriate amount—

Mr. Nixon: A syndicate is a group of financial houses undertaking the interest?

Hon. Mr. McKeough: Yes, and there is a syndicate for Hydro and a syndicate for the province.

Mr. Nixon: The same one?

Hon. Mr. McKeough: Not necessarily.

Mr. Nixon: Are they changed year by year?

Hon. Mr. McKeough: The same syndicate but with different managers. Our syndicate is managed by Wood Gundy; Hydro is by McLeod Young Weir. There is a different syndicate in New York and a different syndicate, of course, abroad.

It is changed, in response to your question. I think we have now put it on a two-year cycle to evaluate the performance of the members of the syndicate and then make whatever changes would seem appropriate at that time. Most syndicates unfortunately, were just revised before I became Treasurer, both in New York and here. Those managers are, in effect, financial advisers and in this particular year it would seem that between Hydro and ourselves we will be going to the public market for something in the vicinity of \$1 billion. Hydro and ourselves then sort out with the managers (a) when we need that money during—

Mr. Deacon: A billion dollars?

Hon. Mr. McKeough: A billion—\$400 million and \$600 million! When we need that money during the course of the year, if we are going to need it, and where it would be appropriate to borrow it. The advice of our managers was and I think still is—we have not had to make this determination again as yet—that the Canadian market, the Ontario market, was simply not capable of purchasing those number of securities within Ontario.

Mr. Nixon: May I interrupt just for my own edification?

Hon. Mr. McKeough: Yes.

Mr. Nixon: Can the minister tell the House what his experts think that the Ontario market is capable of absorbing? I am sure it would vary from week to week, but is it true that if somebody said: "We need \$100 million for this month and there is no point in trying to float that in Toronto." Is it always true that you cannot borrow \$100 million in Toronto?

Hon. Mr. McKeough: They prognosticate—and I am a novice at this as well—but they prognosticate some months ahead. Of course, they are doing these things not only for the Province of Ontario, they are doing it for a number of other large borrowers as well.

If I can relate one experience—when the deputy and I were in Frankfurt three or four weeks ago, it was indicated that at a point in time, there might be money available for us if we wanted that money. Now, whether or not we do, I do not know but the investment houses have some idea of the flow of funds which are coming in to the various investors, the pension funds, the mortgage companies, the banks and so on, and as to when is an appropriate time to go to the market and where.

The advice which we received earlier this year was that our market could not absorb the kind of borrowing in this market which was envisaged by both Hydro and ourselves, on top of—and I think the member would appreciate this—on top of or in addition to the very large borrowings which will have to be undertaken by the government of Canada. I think the federal budget indicated something in the neighbourhood of \$2.4 billion. Although our credit is good in Ontario, as is Ontario Hydro's, it is a very good credit as—

Mr. Nixon: I would like to ask the hon. minister one question—

Hon. Mr. McKeough: Sure.

Mr. Nixon: Before we leave that subject, Mr. Chairman, would the Treasurer not agree however—and maybe this will become less valid—if Ontario is going to borrow \$100 million in the name of Hydro or vice versa at 9.6 per cent, should not our investors at least have a crack at that? I would have liked to have been able to go conveniently downtown and buy some of that. I do not know of any comparable government offer that was available.

Hon. Mr. McKeough: Canadian bond prices that day would have reflected those figures. You could have gone down and bought probably four and a halfs at 83—Hydro's—which were then selling at 80 something, which would have produced perhaps not nine but would have produced 9¼—

Mr. Nixon: I just have a feeling you could have got a large chunk of that one right in our Ontario market.

Hon. Mr. McKeough: The timing of when we went—

Mr. Nixon: It was beautiful.

Hon. Mr. McKeough: When we went for that loan, as opposed to going a month later and switching it around—yes, I think you can

fault us on that, or fault our advisers on that as to whether we go to New York in May and Toronto in March, or the other way around. It is a matter of judgement as to which we do.

The point I am trying to make is that our advisers tell us we cannot do both, or could not do both in the one market and as I was saying, I think the member will appreciate that good as our credit is and good as is the credit of Ontario Hydro, the financial institutions, the banks, the trust companies, the mortgage companies and the insurance companies are going to look after Canada first as opposed to Ontario or Ontario Hydro.

When Mr. Benson announces that he needs the kind of money that he does, I think the financial managers earmark their funds to service those requirements first of all and we come second, so that we perforce have had to go into foreign markets this year and may well have to again, although for the reasons which Mr. Benson has outlined we would prefer, if we can, to prudently borrow here at home.

I could tell the member as yet this year Ontario had not gone to the market. But Ontario Hydro has borrowed as of today \$375 million at eight and a quarter per cent at par for 25 years.

Mr. Nixon: In Toronto?

Hon. Mr. McKeough: In Toronto. And the member, if he gets hold of his broker, I am sure—

Mr. Nixon: That is more than one per cent less than what they borrowed for last year when my broker, if I had one, could not have got me any of that.

Hon. Mr. McKeough: Oh, he could have got you some.

Mr. Nixon: Not as a Canadian offer.

Hon. Mr. McKeough: Yes, but the price of any bond being traded would have been comparable to that 9.6.

Mr. Nixon: I still think you made a mistake.

Hon. Mr. McKeough: It was comparable; sure it was. The issue—

Mr. Nixon: Look, if you are going to argue this, the value of the dollar has changed substantially over the years.

Hon. Mr. McKeough: Our issue in New York on behalf of Hydro a month and a half ago, was at 8.15 per cent so instead of sending your money down there, the Leader of the

Opposition has done right to wait until today—

Mr. Nixon: Yes, it ought to keep Ontario afloat!

Hon. Mr. McKeough: —to wait until today and get eight and a quarter. I could only say that of the \$375 million which Hydro has borrowed as of today, they have borrowed \$100 million in New York, \$35 million in your dollars and some \$235 million has been borrowed here at home.

Mr. Nixon: They are up to what, about \$400 million this year?

Hon. Mr. McKeough: \$375 million.

Mr. Nixon: And they are going to \$600 million?

Hon. Mr. McKeough: They think they will need approximately \$600 million. Now perhaps we can get into some of those points in the vote on finance.

The member for York South indicated that he thought this government was preoccupied with balanced budgets as opposed to being preoccupied with a balanced economy. I think the whole thrust of the budget this year was toward full employment, which is another way of saying a balanced economy in my view. I am not preoccupied with a balanced budget nor was my predecessor.

Mr. MacDonald: Why was your expansion of the budget expenditures half of what it was last year?

Hon. Mr. McKeough: The first budget which my predecessor brought in was for a planned deficit of \$250 million. He brought in a budget last year which indicated a surplus of \$11 million and during the course of the year turned that surplus around to a deficit of 100 and some odd million dollars.

Our preoccupation with a balanced budget—

Mr. Nixon: That was because of lack of planning on what you were going to do.

Hon. Mr. McKeough: —which the member for York South talks about is certainly not reflected in the largest deficit ever planned in the province, which I am responsible for—\$415 million.

I mentioned the question of timing—or at least I interjected there is a question of timing. Let me say this, we are very concerned on this side about unemployment; very concerned. The figures which were released

in May—as the member for York South has pointed out—although they were trumpeted in Ottawa, represent some of the highest May figures, I think, since 1940, since collection of the figures was started.

For the last 10 years I think it is, the moving average for the whole year has been within 0.1 or 0.2 per cent of the May figure; so if the figure for Canada is now 6.3 per cent it would appear we will probably end the year with something over six per cent, which is really rather a horrible thought, I think, in terms of what is happening. Our own percentage in Ontario dropped from 5.7 to 5.6 per cent.

Of course, I think we should say this about Ontario, there was a very large increase in the labour force from April to May; there was a very large increase in the number employed. The number unemployed dropped slightly, but I think proportionately we did rather well in the increase in the actual number employed within the labour force; and that is all very well and good unless you are one of the 180,000 who were not able to find work as of the end of May.

We are concerned, with debating. The member for York South was good enough to point out that we had pointed out to the federal government some months ago our concern; he pointed out that I had defended our co-operation with the federal government in our fight against inflation, or in their fight against inflation. I think there was a point where we became very concerned, over a year ago, that the fight against inflation was going on too long and said so.

It may be that we co-operated—if I can be very frank—with the government of Canada for too long a time. Many of the tools to turn the economy around, of course, are in the hands of the federal government. We debated this before and it was debated during the budget, but certainly monetary policy is the exclusive purview of the government of Canada; and we of course have no control over federal tax policy.

We advocated taking off the surtax—what, 12 months ago. It has now been taken off and we sincerely hope that the measures taken by the government of Canada will turn the economy around, albeit it would appear very slowly; very, very slowly. We seem to be coming out of the recession and frankly we do not see us coming out of it nearly as fast as we would like.

There is the question of expansionary budgets or non-expansionary budgets. It is true that our budget increased by 10.7 per

cent. The member for York South was somewhat critical, I think, that it was only 10.7 per cent as compared to perhaps the 15 and 18 per cent figures which had been true in the past.

There is a difference in philosophy here, I think, between my friend from York South and myself. This budget, this year, deliberately set out to attempt to leave more of the control of the economy in the hands of the private sector. We were not as expansionary as we have been in the past in terms of our own spending. We are very expansionary in terms of the deficit which it has created.

I would have to say, as outlined in the budget, we have had to overcome what we call a tax drag, money going out of Ontario, a federal tax drag of somewhere in the neighbourhood of \$1.5 to \$2 billion. That is not true in Manitoba. There is much less of a tax drag, relatively speaking, than there is here in Ontario.

Mr. MacDonald: The minister and I could have a long debate on that, but let us not.

Hon. Mr. McKeough: All right. Yes, I think we are both in a little over our heads.

Mr. MacDonald: No. Not necessarily over our heads, but that is a phony argument in a province like this.

Hon. Mr. McKeough: Oh, I do not think it is. You cannot go on taking an increasing amount of money—

Mr. Lawlor: The minister is the chief beneficiary of the economy from all over the country. The argument is counteracted every time.

Hon. Mr. McKeough: We cannot go on taking increasing amounts of money out of Ontario without it sooner or later—

Mr. MacDonald: It came into Ontario from other provinces, a good deal of it.

Hon. Mr. McKeough: Perhaps we had better leave this.

There is a limit. I am sure the member would concede that. There is a limit. There is a balance between, if you want, the money which comes into Ontario by way of sales in the rest of Canada, and the money which goes out of Ontario by way of federal equalization payments. I do not know what the magic figure is. But there is a limit at some point or other.

Mr. Lawlor: Why does the minister not know? Has he done any studies on that?

Hon. Mr. McKeough: Finally, the member for York South spent some time dealing with the Prime Minister's speeches, with some speeches of mine, which I think—

Mr. Lawlor: The minister is so darn good at making studies that you would think he would know the difference.

Hon. Mr. McKeough:—might well be dealt with under the Treasury Board, that particular speech, rather than under these estimates; and then ended up with federal-provincial relations which perhaps we can return to in the vote.

I would agree with the member for York South that I do not think this is a subject which is going to disappear. I would agree with what he has said about the necessity, and this is Quebec's point of view, and our point of view enunciated in the Prime Minister's statement, that we are anxious to get down to a discussion of the distribution of powers.

There has been somewhat an air of unreality in dealing with the composition of the Supreme Court. That is not obviously the most gripping thing which is facing our country. It appears that there could be an agreement on some of those things and that is why there was a movement to come to agreement, to amend the constitution in those areas. But surely, the gut issues, the gut issues as far as the Province of Quebec have been concerned right back to Jean Lesage, have been this matter of dollars and cents and the powers that go with, or do not go with, the dollars and cents.

And that, surely, as the member has said, is a discussion which we will have to return to either with or without an amending formula to look after them. At this point in time—and much of what the member for York South has said I think, he might properly deal with in the Prime Minister's estimates, rather than my own—just let me end on this note: He discussed initiatives by Ontario. I think that at this point in time, if my reading is corrected, it is perhaps not the week for initiatives, rather if we let things cool a little bit, perhaps a few things will sort out.

Mr. MacDonald: A couple of weeks ago would have been better, I agree.

Hon. Mr. McKeough: All right. But this is not the week. Perhaps initiatives will be necessary and I am sure that the member for York South will dismiss his ideas on

initiatives with the Prime Minister during his estimates.

Mr. Chairman: Is vote 2401 carried?

Vote 2401 agreed to.

On vote 2402.

Mr. Lawlor: Mr. Chairman.

Mr. Chairman: There are a number of items in this that seem to be separate. Does the member want to discuss the whole thing in total or item by item?

Mr. MacDonald: I think there may be value in trying to separate them. I do not know.

Hon. Mr. McKeough: Will we take them in order?

Mr. Chairman: Yes, we will do them item by item then. First of all, item 1, administration. Carried.

An hon. member: There will not be anything on the next one either but there will be on the third one.

Mr. Chairman: Item 2 then.

Mr. MacDonald: Yes, well I do not know how much further I want to pursue this today since the provincial Treasurer has almost requested that we leave it to the Prime minister's estimates.

Hon. Mr. McKeough: I thought that was worth a try. I did not know whether I would get away with it.

Mr. MacDonald: The reason why it falls flat on its face, to be very frank with the Treasurer, is that the branch on federal-provincial affairs happens to be here, not in the Prime Minister's estimates. There are a number of questions which I certainly would like to get answered publicly. There are far more I would like to get privately answered from the provincial Treasurer.

For example, since the Treasurer does have this group of experts and, quite frankly, outside of the federal department and Quebec in their own way, no other province has got them, what is the explanation for the fact that Ontario was so completely out of touch with what was happening in the Province of Quebec?

Why, for example, did the Treasurer not realize and take the necessary steps at a stage in the preparation for the initial statement of the province at the Victoria confer-

ence which would have headed off the kind of isolation and polarization that emerged? Because even with my limited resources of reading the daily papers and a few other areas, I was sufficiently aware of what was likely to happen to have warned you in my budget speech about two weeks ago. What is the answer to that?

Hon. Mr. McKeough: Well to begin with, we, unlike some of our sister provinces, played the rules of the game as they were supposed to be played. The opening statements were supposed to deal with the subject matter at hand and express the platitudes—well, not platitudes, the good wishes of all our people toward the people of British Columbia in their centennial year. I think some of the first ministers departed very strongly from that format suggested by the Prime Minister of Canada. Ontario, being first off or second after the Prime Minister, did not perhaps have a chance to revise its statement as much as it might have liked to after it heard, for example, Mr. Schreyer's comments about everything except what we were there to discuss.

However, in the afternoon session—and this was released to the press—the Prime Minister of Ontario was given the opportunity, as is customary as a new Premier, to make a second opening statement and he did make a statement on social policy which was released. He made quite a full statement at that time.

I think you could read into that statement some of the points of view which we have expressed in budgets and in this House. We feel that statement in fact did not come down on the side of Quebec's position, but was a basis for discussion. If recognized the concern of the Province of Quebec about there being something more to constitutional discussion than simply an amending formula for a proposal to patriate the constitution.

For example—and this was tabled, and I think it has been tabled here in the House—we have said that in discussion on the distribution of powers in Canada, we should be moving to a more decentralized federation. Ontario has not, in the past, pressed for decentralization in the field of social policy. We recognize the emphasis and concern of the government of Quebec in this field.

We have also become much more aware, through our work on tax reform, of the close interrelationship between income security programmes and the total shape of the gov-

ernment's taxation structure. We believe that it should be made possible for provinces to devise their own integrating income security programmes which will permit considerable variation and benefit levels in priorities of programmes among the provinces, all to be built on a minimum country-wide basis, practically word-for-word from what the member for York South said in his opening remarks.

Mr. MacDonald: Let us pursue what is the nub issue in this whole thing. I do not know whether there was any particular significance in the fact that at my distance from Victoria, I had the impression that the government was somewhat muting the blunt assertions made by the provincial Treasurer in the budget, that Ontario was going to move to opting out and demanding a fiscal equivalent.

What is the provincial Treasurer's reaction to the thesis I advance, that the only way that one can achieve a federalism that leaves the federal government sufficiently strong—and there was a day no more than two or three years ago when this government used to argue that we need a strong federal government. That phrase can be misinterpreted, but I think we know what we are talking about. We do not want one that is so truncated in its powers and its capacities to cope with the economy and fiscal and monetary policies of this country that it will be ineffective.

Okay. How can you retain a federal government that has the desirable strength to do the overall job and establish and implement national standards, if Ontario is going to opt out, as well as the Province of Quebec? Because let us face it, there is then no more Canada in terms of viable, economic power to do the job.

Dare I believe that the government is taking a second look at its rather blunt proposal of opting out of these shared-cost programmes, as enunciated in the budget?

Hon. Mr. McKeough: No, I do not think so. These will be matters for discussion at the meeting of the Ministers of Finance on July 13 and 14 or July 12 and 13, or whatever it is, and our position has not changed.

If I could perhaps go on a little bit about the social policy or add this to what we have both said in substantial agreement. Part of our problem, in terms of the Quebec position on social policy, is that we are not sure as to whether, in a discussion about the distribution of powers, this necessarily would have been our highest priority.

In other words—and I am talking off the top of my head—it might be that we think that we should have exclusive control over agriculture, for example, rather than over social policy. Or perhaps it is the other way around. We think that neither we, nor for that matter any of the partners at the table in Victoria had thought that true; well enough to simply say that we believe in provincial or federal or joint paramountcy in a particular field, in this case social policy.

Perhaps we should have thought it through to that extent, but I think the fact of the matter is that we have not completed our thinking on the total picture and therefore I think it was difficult for us to be as definite as we would normally like to be, and as the member for York South would like us to be on a particular part of the total package of distribution.

Mr. MacDonald: The minister leaves me a bit puzzled, because when I was arguing that if the Province of Ontario was to opt out with as full a range of social policies that the Province of Quebec appears to be now demanding, that that would leave the federal government with such truncated powers that in effect you could not have the capacity for a viable economic policy across this country. I thought the minister was shaking his head affirmatively, and indeed that has been the contention down through the years; and I think, the contention that underlay the general thrust of the former Premier (Mr. Robarts) when he always contended that we want a strong central government.

How can you have a strong central government if Ontario is also going to opt out? Because it seems to me you do destroy the basic capacity of a federal government to do a national job and particularly to establish standards for those provinces which have not got comparable means.

Hon. Mr. McKeough: There was not a discussion as to whether we were opting out or opting in particularly of the things which were discussed in Victoria in terms of social policy. As the member is aware of course, there were no dollar signs attached to those particular items. It was a question of who held the authority, rather than where the money was going to come from.

In terms of our opting out of existing programmes, the Province of Quebec has received roughly 50 points of the personal income tax as compared to the 28 which we received. It has not damaged Canada in any way that

they have received this. I do not think it is any secret to any of us here that, in our view, the Province of Quebec has done rather well because they have opted out. They have had a greater flexibility and a greater freedom over their own priority setting and fewer administrative headaches because they have had that kind of flexibility within those points to administer the programmes, to some extent at any rate, in the way they think they should be administered, rather than the way the bureaucrats in Ottawa and the bureaucrats in the provincial capitals think they should be administered.

Mr. MacDonald: But the minister is not answering my question. If Ontario does it too, what—

Hon. Mr. McKeough: If Ontario does it too; there is nothing magic. We have said this and we have documented this. I think we suggested at one time that the federal government could do very well with receiving 40 per cent of the personal income tax and two-thirds of the corporation tax, and they would still have fiscal capacities.

I would add this caveat to that, that it depends what they have to do with that 40 per cent and that two-thirds. In other words—and this is an over-simplification—to pay the interest on the national debt they need all that 40 per cent, which they would not; there is obviously no flexibility in doing that at all. On the other hand, if some portion of that 40 per cent is used for national defence, which has been a flexible expenditure over the years, or in the last few years—it has been going down—they obviously have more fiscal capacity than if it were all needed for the national debt.

So it is not just the percentage, it is also the responsibilities which have to be looked at together.

Old age pensions for example, have to be paid. That is a fixed obligation on whatever level of government does it. At least, I think, politically one could say that it is a fixed obligation, as is the national debt. Whether one decides to pay bigger or smaller family allowances, as Quebec has done, is surely a matter in which there is some flexibility. It is not just how big a percentage a province or provinces have, or the federal government has, it is also what kind of responsibilities they have within that fiscal framework.

This is why—and I come back to what I said—it was a little difficult for us, I think, in the time available before the conference to

analyse whether we really stood four-square with Quebec or four-square with the federal government. It just is not possible, in our view, to look at one power in that kind of isolation.

Mr. Chairman: Item 2. No? Item 3 then.

Mr. Lawlor: Yes, Mr. Chairman, on item 3, taxation and fiscal policy, just a word about that and about the recent alterations by Mr. Benson of the taxation policy for this country. May I just say, in proper duty to my general remarks, that a more wretched, fetid, crapulous and craven recapitulation—

Mr. S. Lewis (Scarborough West): But mostly crapulous.

Mr. Lawlor: —in the area of tax reforms—

Hon. Mr. McKeough: Nugatory.

Mr. Lawlor: —and the address of a pretensive government to social reform and to a just society could scarcely be imagined. May I say that the Treasurer has taken this as an accolade, as he very well may and should, that what has happened is that Benson gave in to Ontario; the Ontario white paper is the blueprint upon which Benson formulated and articulated his policies of recent date.

It is perfectly true. And over the past two and a half years, on many occasions—I could count six at least—I have stood in this House and gave what I thought was a fairly objective, ranging analysis, in moderate tones, of this government's paper over against the federal government's paper, over against our proposals. Sometimes it took a considerable period of time, because the matters are complex. I do not intend to take that kind of time today. As a matter of fact, I am disheartened and in a state of relative despair over against any possibility that these old governments are bringing about any incisive, forthright, intelligent or courageous move into the area of the alleviation of those who are overtaxed.

We look at governments of Latin America, and we say 15 per cent of the people own 85 per cent of the income. Is it also so very different here—one looks at it as to who bears the burdens of the day and how those who are the better off and the more able to pay, through manipulations and through the very structure we built into our tax system, are able to escape this taxation? Benson has done nothing to alleviate this.

At one end of the scale, Benson has simply taken a few people who never should

be taxed at all—it is a heinous crime against humanity that they were ever placed on the tax rolls to begin with—and then preens himself upon having divested them of that particular burden. Every government, including the Tory government over there, agrees in that particular area of enlightenment that was a piece of iniquity.

It has been done, and this is what has always been done. As for the rest, may I even go this far. This government's proposals in its white paper of a year or 13 months ago had more grace notes, had more to commend it in terms of social equity than what the Benson budget now presents to the people of Canada. At least this government had the decency to write in tax credits, to write in low-income allowances of a specific kind and a wider range. No, both governments fall down on the same side. Benson copied Ontario literally to the nth figure; both end up at \$2,900, for instance, for the couple. If we take the \$100 basic allowance for charitable purposes and medical payments into account, he follows Ontario right down the line, not swerving.

Secondly, we did have refundable tax credits. Did he give any cognizance to this? None whatsoever. He took the worst features of our budget and adopted them, let us put it that way, without taking any of the alleviative or the more finely grained, decent things that the Treasurer proposed to do, and ignored all those.

So where do we come down at the end of the day, after 10 years of labour, after millions of dollars have been spent in terms of tax reform, in terms of revamping the system, in terms of recognition of the inequities built into the system? We end up today in more parlous state than we were when we ventured upon the realm.

It could have been done without any of that studying. Everybody recognized that for people making less than \$2100 and families making less than \$3100, instead of imposing tax burdens upon these people who could hardly breathe as things presently stand, they should be alleviated. Everyone recognized that it was simply a question of a little reform in that particular direction.

That is tinkering with the structure; that is not moving in deeply.

What I really want to talk about are only two points today, because it is useless to talk, it is useless to talk in this chamber and useless to talk in the Parliaments of the world, as far as I can see, because the in-

grained forces of reaction sit there in their aplomb—

Mr. MacDonald: They even smile while they sit.

Mr. Lawlor: —in their nonchalance, in their forfending for their own damned interests, in their refusal to budge on any crucial point, always making little gestures and marginal resorts here and there, but in the central issues of human dignity and decency of the tax system, which mean social justice in our society, no major moves are made. It is all cunning.

We have got that idiot press panoplying and trumpeting to all benighted that major changes have been made. Wait till they get their tax bill next year. They will notice that there is not a change.

Nothing has changed; it has only been bantered about.

We come to the two points I want to mention. This is one, and I would ask the Treasurer and almost beg him to reconsider his position and to bring the same storm of enormous pressure upon Benson's head—he listens to the Treasurer when he will not listen to the voice of intelligence—to bring some light on this business of succession duties.

First of all, he pulled the rug out from under the Ontario government's feet. He left it dangling because it was not six months ago, or an even shorter time than that, in this House that the Treasurer stood on this floor and advocated our withdrawal from that whole field. It was too much of a nuisance, he said, the amounts brought in in terms of tax, as far as Ontario is concerned—on its own taxation not the 75 per cent remittance from Ottawa—was hardly worth the gambit and so, the Treasurer said: "We are going to withdraw from this field. Tax havens have been set up in Saskatchewan under purblind Thatcher—now deceased—and in Alberta, people who are wealthy do tend to go there as they get older in order to escape. We in Ontario are not going to suffer this sort of thing. We too are going to opt out of that particular field."

Then along came Benson and pulled out the rug from under. No longer, after January 1 of next year will the Ontario Government be deriving the 75 per cent estate tax, because there will be no estate tax. Where does that leave this government with respect to death duties? You were blind enough along with them, and he took your word for

it and adopted it to say that because of the inception of a capital gains tax—your capital gains tax will only be 25 per cent—that because of a capital gains tax no succession duties, no estate tax or death taxation ought to be levied.

Do you not see that the context of the succession duty is applicable only to the somewhat narrow field of capital gains? It does not cover the waterfront. Do you not see that we have to have some discrimination? Our law must be somewhat more subtle than the hamstrung and hamhanded type of thing that we have at the moment, namely, the short-term gain tax. If upon death a capital gain is realized, if we determine that, then in that area of straight capital gain over a lifetime, the 50 per cent taxation figure has some validity. I can quarrel with it on other grounds, but it has some validity.

But what about all the other gains of a lifetime? Suppose an estate of \$1 million, the estate of the \$1 million came from \$50,000 of investment when the man was 18, he built up his investments along the way by way of capital gains through the stock market, land investments and what not and he ended up a millionaire. Another man, making money—maybe he has received some money from a previous estate—going along has invested his money over the period of a whole lifetime, say in mortgages. No capital gains, and they both end up with estates of \$1 million. The one estate bears a 50 per cent tax, if it is a capital gain, on the million; the other bears not a dime.

Then, to make a *fortiori*—ridiculousness doubly so in either one of the estates—well let us take the one that ends up with no taxation whatsoever. What happens then? Say he does not leave a will and suppose he does not have any immediate ascendants or descendants? Suppose that somebody in Togoland is a relative out there, a 14th cousin? Does a 14th cousin in Togoland take up the whole \$1 million of estate earned in this province through the marvellous, the halcyon conditions that the Tories have supplied down through the centuries? Will he be able to enrich himself beyond the dreams of avarice, and does it go out of the province completely without us having a dime?

Do you not see that it is necessary to discriminate between taxation of capital gains on death and taxation of that property which is not capital gain on death?

On your side of the fence, it seems to me, you simply must retain your succession

duties with respect to that wide berth and second area that I am pointing out to you today, you simply must. Not only because of the colossal loss of revenue that is being faced by this government at this time, which with your deficit of \$0.5 billion it can hardly accommodate; not only that but also because of the inequities in the situation of allowing money in this particular context to escape from this province on a vast scale, I suggest to you, where no taxation whatsoever applies.

That is my first point. I ask you to revise your Succession Duty Act; to retain it; rerevise it, to place it into accommodation with the Benson proposals. If you go that far, we will come as the succeeding government and rectify the true equities of the case I assure you.

I was reading John Stuart Mill the other night. Back in the beginning—the middle—of the last century they used an argument, as you may remember, under British law, that the eldest son alone inherited the whole estate. It was called primogeniture, and all the rest of the sons and daughters, irrespective of how many there may have been, got nothing.

The reason they did that, the psychological reason which is behind all taxation measures, is they said it gave ever so much more incentive to the younger brothers and sisters to make their way in the world. It gave a double incentive because the eldest son—wastrel, n'er-do-well, they almost invariably turned out ludicrous—could stand as a living memorial to them with all the boodle in his pocket. They had a long way to come to catch up to him, because it had all been given to him gratis. This is the theory.

They said, as John Stewart Mill said, why not make a little incentive for the eldest son too, and take some away or take even the bulk of it away from passing between generations?

We always, in this party, say that the widow must be completely provided for. She has been a helpmate throughout life and if there are large sums of money passing she should be the beneficiary of that if she outlives her husband. The dependant children—these days up to 26 or 30 years of age because of the university situation—must be fully provided for.

After that, particularly when you get into your stranger class—your third class of your succession duties—away from the collateral but into the stranger class, as far as the federal government is concerned, there is no tax.

The stranger may take the whole bundle without having to pay a dime in taxation.

That cannot be permitted by this government if it has any sense of social conscience whatsoever, or any sense of responsibility of the hard economic facts of the province. You must retain it. You must redevise your succession duty schedules, and you must not allow moneys to go out to stranger classes on a vast scale such as is being proposed by Benson.

It is a lacuna. It is an oversight; it is a piece of damn blandishment. It is the largest loophole ever created in our law, and I do not think the man knows what he is about. He has not looked at it. It is a piece of stupidity.

Do you know why? Because he took your word at its literal value, and you fellows had not thought it through, either.

The other area, of course, is gift taxation. There you must move into the gift tax field before January 1 of this year, otherwise it will be the biggest boonswaggle that has ever been given. The wealthy will not give the gifts away as the article says at Christmas time this year. It will be January 1 that the vast sums will be turned over because it will bear no taxation from the gift tax angle, so far as the federal government is concerned.

Again, that passage of money is a means to escape through the intricacies of taxation and not to bear one's fair load, according to ability to pay, according to the equities of the situation.

If you do not move into either of these areas—and I am inclined to think you are not going to, because I think you are fiscally irresponsible in these areas and have not got a sufficient sense of what is involved in terms of the monetary life of this country to seize upon those rules. Political consideration and your own peculiar ideological stances and preventive review render you a little stupid in the face of death taxes and the passage of wealth from generation to generation.

That has been my experience in the House. You always turn off when the subject is mentioned. You advocated a particular policy here; it has been adopted. I hope you have the good sense to reverse yourself in effect and say, "Oh, no, we cannot permit this sort of thing to take place under my suzerainty and regimen."

Then, for the first time, instead of being the purblind reactionary fellow from Chatham that we all know you to be, you will begin to emerge, as Davis, twisting and turn-

ing these days, seeks to emerge as a splendid new light, in some kind of shining chrisom, as coming out of his—

Mr. Nixon: Iron butterfly.

Hon. G. A. Kerr (Minister of Energy and Resources Management): White knight!

Mr. Lawlor: Put some oil on the iron. It shines in the darkness. Go ahead and do it.

Hon. Mr. McKeough: Mr. Chairman, this government's policy is by no means determined in this field so soon after Mr. Benson's budget, but I can agree with some of what my friend from Lakeshore has said. It seems to me there are two problems—or at least, first of all, we appreciate no end the compliments which he has given our white papers, and on behalf of my predecessor and the staff, all of whom laboured mightily, we appreciate the—

Mr. Lawlor: That is damning by too much praise.

Hon. Mr. McKeough: —the appreciation which you have indicated, because we have had so much effect on the federal Minister of Finance and his policies.

Mr. MacDonald: In fact he overwhelmed you.

Hon. Mr. McKeough: What we have said about estate taxes and death duties generally is that we believe they should be eliminated as the capital gains tax matured and that the two should be phased so that at some point they crossed on the graph and one went out and the other came in.

Mr. Nixon: How can they, if only 50 per cent is going to be taxed?

Hon. Mr. McKeough: Ours presumably would be—well, except that you might get it several times over during the course of a life. For example, when the Leader of the Opposition puts some of his money into those 10 per cent Hydro bonds and then sells them at an appreciation, capital gains tax would be collected. Undoubtedly, he would put some of it into his farm and it will appreciate greatly in value and we have got some of it then. And then, with what was left over, he might be buying a thousand shares of International Nickel and we would get some appreciation on that.

Mr. Nixon: I still think half of it is going to be tax free.

Hon. Mr. McKeough: But you could get it during the course of a working life on several occasions. I assume, conceivably, it would work out, in many instances, to be more than a death tax.

Mr. Nixon: I would like to ask the Treasurer if he has got a paper under preparation on that—

Hon. Mr. McKeough: Yes.

Mr. Nixon: —that is a little more precise than just the approach he is taking.

Hon. Mr. McKeough: A little bit more realistic than comparing it with the finances of the Leader of the Opposition, yes. Right. Yes, we will be preparing positions on this and examining it in detail. It is happening somewhat more quickly than we had anticipated.

But there are two points, both of which were made by the member for Lakeshore. First of all, there would be a revenue loss to the province; and we believe this to be the case, if it happens as abruptly as it would appear that it may happen. And secondly, I think there is something I would agree—not with the vehemence or the socialistic outlook of the member for Lakeshore—but I would agree that if someone hangs in until January 2—and evaluation day is, for example, January 1—he could die on January 2 and leave a very large estate, and unless something happens, pay exactly nil in terms of succession duties. And the person who died on December 31, presumably is going to pay what—

Mr. Lawlor: Full succession duties.

Hon. Mr. McKeough: —full succession duties, which you would not think so, but at a level of \$1 million, for example, is somewhere in the neighbourhood of \$500,000. This is a very punitive tax indeed, particularly if you compare it to a tax on January 2 of nil.

Mr. Lawlor: —the tax between husband and wife?

Hon. Mr. McKeough: Well let us forget the husband and wife for a minute, husband and children for example. It does not matter in any case—it could be grandchildren. There are the two aspects; one I think the matter of equity, and secondly the matter of revenue losses.

On the other hand what one must remember and bear in mind—and I think in effect Mr. Benson was recognizing this—regardless of the lack of logic perhaps of doing it this

way, it is a fact that two provinces have gone right out of this field and are rebating the federal remission to them, namely the provinces—

Mr. MacDonald: One of the governments has gone right out. Maybe that is significant.

Hon. Mr. McKeough: Right! But Alberta and Saskatchewan—

Mr. MacDonald: And I say one of the governments has gone right out and maybe that is more significant.

Hon. Mr. McKeough: Right: But Alberta in particular has done this—what for three, or four, or five years—and is becoming something of a tax haven.

We may decry the fact there are people who would leave this country for estate tax purposes, but they are. They are not even all going to Bermuda or Nassau. They are going to the United States, they are going to Europe and as long as that is happening then we are losing not only the capital in this country of ours and in this province, we are losing not only the succession duties, we are losing the enterprise of those people—in many cases successful people—who have a great deal to contribute but who feel that they do not want to pay the rate of tax that presently exists in the province on their death.

I think some of us may have noticed the story about some hockey players the other day, which perhaps is a case in point. One can say those people are wrong, and one can regret the decision of certain people to move to the Bahamas, but our laws are such that they allow them to do so. We also have to face up to the fact that if we start putting walls around the free movement of capital in this country or in this province, we would be in very serious trouble indeed because that kind of investment capital would dry up very quickly.

So that whereas I have some small agreement with the member for Lakeshore about the philosophy of succession duties, I think we also have to take into account what our neighbours are doing and whether we are losing out because they are doing these things—that is Alberta. We will be examining all this very carefully in the next few months.

Mr. MacDonald: There are a couple of points, Mr. Chairman, in reference to item 3 on taxation and fiscal policy that I would like to explore with the minister briefly.

I assume this is the branch which does a good deal of the homework and provides the

Treasurer and his colleagues with the information which ultimately shapes the budget in some of its basic decisions. The minister shakes his head affirmatively.

I want to go back to one of those basic decisions, namely the five per cent rebate on investment in machinery and equipment, which in effect is tantamount to a five per cent rebate on the sales tax which we have been bandying about for some time as to whether or not it was a good thing to do.

However, the minister in his budget indicated that the revenue loss is going to be \$125 million and therefore from their own simple arithmetic calculations they assume \$2.5 billion was going to be invested.

An hon. member: Five hundred million dollars.

Mr. MacDonald: Two billion five hundred million dollars were going to be invested. The figure originally estimated by DBS and others for Ontario was in the range of \$2.8 billion and this is subject to certain subtractions and additions, subtractions because of the fact that public utilities and government expenditures are not subject to tax, and certain additions because of repairs, which ends up with a figure of \$2.25 billion.

In other words, what the government, by its own calculations, concedes, is that its tax is going to increase investment in machinery and equipment by \$250 million.

Now I ask the minister this question: How in heaven's name on any cost benefit basis, or any other basis, can he conclude that it is a legitimate proposition for the public treasury of the province to put up \$125 million in order to get another \$125 million invested so that you increase the total investment from \$2.25 billion to \$2.5 billion? How can that be justified?

As someone has pointed out, the same amount of money invested in housing would have 10 times the effect in employment if employment was your real objective; and since the whole thrust of your budget in this connection was in terms of doing something to pick up the slack in the economy and to provide more jobs, this was precisely your objective, why did you not then put that money into housing if it would provide 10 times as many jobs? How can you justify putting in \$125 million to get \$250 million more investment in machinery and equipment?

Hon. Mr. McKeough: Proceeding with the last point first, there was some suggestion

that we might have taken the five per cent tax off building materials, particularly on residential building materials, which would have amounted to about the same, as I recall.

We looked at this. It would have been very hard to distinguish between residential construction and non-residential construction. Somebody could have bought a load of lumber, for example, and used it for either. How would you ever prove how it was ultimately used?

So it was impossible to make this distinction, plus the fact we came to the conclusion that the whole construction industry, particularly the housing industry, is going rather well. The housing starts are up this year. Some of those figures were detailed earlier by my colleague the Minister of Trade and Development. Both in terms of public sector housing and private sector housing, the construction industry is doing rather well this year. It did not, in our view, need the stimulus which perhaps other parts of the economy did. I think some of the wage settlements would indicate that despite the best effort of the legislation which this House passed a year ago in terms of the construction industry, one would have to say the industry is still somewhat overheated and probably a rather larger contributor to inflationary pressures than most others.

I am not for one minute suggesting we do not need more housing, but we thought there was enough stimulus in the economy there without stimulating that area particularly.

Now in terms of why we chose the method we did: We made no bones of the fact and said so in the budget, that the quickest way of course would have been a reduction in personal income tax to start generating the economy. That avenue was not open to us until next January 1.

The other point: We were looking for something we could do in the short run which would be relatively painless to reimpose—if I could put it that way, because we cannot afford this kind of a revenue loss permanently.

We could not afford, for example, a one per cent decrease in the sales tax which would have come to roughly one hundred and some odd million dollars. We need that revenue and will continue to need that revenue much as we might wish otherwise, and it would be very difficult to reimpose the one per cent decrease in sales tax two years from now, or a year from now or whenever the economy had been stimulated.

Mr. Nixon: You could reimpose a decrease quite easily.

Hon. Mr. McKeough: Reimpose a decrease in sales tax when you are dealing essentially with seven million consumers? It would have been somewhat difficult.

Mr. MacDonald: What is the difference? Oh well, I am not going to argue that point.

Hon. Mr. McKeough: As a matter of practical effect, we chose this method as being in our view a way of stimulating investment in machinery and equipment, which we think has some very definite gains in terms of long term productivity and better productivity. Now I share with members of the New Democratic Party some of the worries that this increase in productivity may be brought about in some instances by a reduction in the actual work force—but I do not think this is true in the long run, it has never been true in the past. If it were we should never have gotten away from the horse and buggy, I suppose.

We have to as a province, as a country, become more productive, increase our technology, and we think this will go some way in doing that job. One of the most disturbing things about the economy as a whole as we looked at it several months ago was the lack of confidence, by the investment community, by the business community and by the consumer. Consumer savings, as you will have noticed, are at an all time high right now.

Mr. MacDonald: But may I, before 6 o'clock, come to the nub question that the minister has not yet dealt with. Even if I accept his argument that he did not want to go into housing because that sector of the economy is overheated, and he did not want to go into an alternative such as cutting the sales tax because that would be much more difficult to reimpose; my question is this: How can the minister justify on any equity basis the proposition of making one dollar of public money available for another dollar that is going to be privately invested—when the net

effect of it is only a marginal increase of the total investment from \$2.25 billion to \$2.5 billion.

Hon. Mr. McKeough: Yes, but with any kind of a multiplier effect, you are talking about a total figure, I suppose of \$500 million at least.

Mr. MacDonald: No, but the \$2.25 billion is going to take place without any government incentive.

Hon. Mr. McKeough: But the extra that was stimulated is going to generate in total something like \$500 million. We think some of this is going to start to roll over rather quickly.

There is some indication that it is already. We may, in effect, lose more than \$125 million and get part of it back in the very first year.

Mr. MacDonald: Are you suggesting that \$2.5 billion will create the extra \$500 million? Or are you suggesting that this \$250 million, is made up of half what you rebated and half the further incentive to private investment in general—

Hon. Mr. McKeough: Well, with the multiplier effect it may generate \$500 million—

Mr. MacDonald: The whole thing will be?

Hon. Mr. McKeough: Yes.

Mr. MacDonald: Well by your own definition since we are talking about one-tenth that you have added to it, nine-tenths of that \$2.5 billion would come with no action by yourself, because nine-tenths, \$2.25 billion, was going to take place anyway. Your action just put in an extra \$250 million which is one-tenth.

Mr. Chairman: Perhaps the hon. minister could formulate his reply over the supper hour.

It being 6 o'clock, p.m., the House took recess.

APPENDIX

(see page 3273)

Answers to questions were tabled as follows:

1. *Mr. Reid* (Scarborough East)—Enquiry of the Ministry—1. How many full time employees were there in the Department of Education for each year from 1960 to 1970 inclusive?

2. How many of these employees were receiving salaries of more than \$15,000 for each year from 1960 to 1970 inclusive? 3. For 1970 how many of the full time employees were qualified teachers and of these how many had been out of full time teaching for less than two years? For two to five years? For five years to ten years? For ten years or more?

Answer by the Minister of Education:

1.	Year Commencing	No. of Employees
	23rd March, 1959	1,461
	21st June, 1961	1,636
	1st May, 1962	1,793
	1st April, 1963	1,825
	1st April, 1964	2,097
	1st April, 1965	2,518
	1st April, 1966	3,250
	1st April, 1967	3,891
	1st April, 1968	3,141
	1st April, 1969	3,159
	1st April, 1970	3,110
2.	Fiscal Year Ending	No. of Employees Over \$15,000
	31st March, 1960	1
	31st March, 1961	1
	31st March, 1962	2
	31st March, 1963	2
	31st March, 1964	2
	31st March, 1965	9
	31st March, 1966	55
	31st March, 1967	289
	31st March, 1968	362
	31st March, 1969	622
	31st March, 1970	527

3. Full time employees in 1970 with teaching certificates	1,068
Out of full time teaching for less than two years	83
Out of full time teaching from two to five years	138
Out of full time teaching from five to ten years	100
Out of full time teaching for ten years or more	102
	<u>423</u>
	645

The remaining 645 employees with teaching certificates are engaged in full-time teaching responsibilities in various departmental institutions.

15. *Mr. Ferrier*—Enquiry of the Ministry—1. What were the administration costs for OHSIP during its first year of operation in terms of the part of the plan administered directly by the government? 2. What were the administration costs for the same period for the part of the plan administered by designated agents for the government?

Answer by the Minister of Health:

- (1) Administrative costs of OHSIP-Central for the period April 1, 1970 to March 31, 1971 amount to \$17,713,000.
- (2) Administrative costs of the designated agents for the same period amount to \$10,455,000.

16. *Mr. Jackson*—Enquiry of the Ministry—1. What are the names and addresses of companies which received grants under the "Alternative Employment Opportunities" programme of the Ontario Department of Agriculture and Food for the years 1968, 1969, 1970? 2. How many new jobs were created in each year by company name? 3. What are the names of companies receiving more than one grant?

Answer by the Minister of Agriculture and Food:

	<i>Name and Address of Company or Agency</i>	<i>New Jobs Created Estimated Number of</i>
1968:	(1) Provincial Park Expansion (Dept. Lands & Forests)	150
	(2) Meat Corporation of Canada, Timmins, Ontario	5
1969:	(1) Thornloe Cheese Factory, Thornloe, Ontario	6
	(2) Maple Dale Cheese Factory, R.R. 2, Roslin, Ontario	6
1970:	(1) Mount Madawaska Co-operative, Barry's Bay, Ontario	10
	(2) Snell and Son Lumber Company, Eganville, Ontario	25
	(3) Foley Potteries Limited, Southampton, Ontario	15
	(4) Universal Seal Company Ltd., Bancroft, Ontario	7
	(5) Welk Lumber Company Limited, Eganville, Ontario	75
	(6) Clarksburg Cold Storage, Clarksburg, Ontario	12
	(7) Rural Employment on Crown Lands, Hastings County (Dept. Lands & Forests)	7
	(8) Johnson Township Public Park, District of Algoma	5
	(9) Wild Rice Production, Manitou Rapids Reserve	5
	(10) Rainy River Cattlemen's Assoc. Livestock Sales Yard	2
	(11) Deer Range Management Programme (Dept. Lands & Forests) ..	150
	(12) Rural Employment on Crown Land Forests—Brudenell and Lyndoch Townships (Dept. Lands & Forests)	20
1971:	(1) Murray Bros. Lumber Co., Barry's Bay, Ontario	100
	(2) Rural Employment on Crown Land Forests— Extension I—Sebastopol Township (Dept. Lands & Forests) ..	7
	(3) Sunnidale Automotive Mfg. Co., New Lowell, Ontario	6
	(4) Employment of Rural People on Forest Stand Improvement of Crown Lands (Dept. Lands & Forests)	500
	(5) Rural Employment on Crown Land Forests, Renfrew County (Dept. Lands & Forests)	8
	(6) Rural Employment on Crown Land Forests, Brudenell Twp. (Dept. Lands & Forests)	10
	(7) Crown Land Forest Stand Improvement—Brudenell Twp. (Dept. Lands & Forests)	10
1971:	Authorization for grants received in the calendar year 1971.	
	(1) Travel Mate Motor Homes, Owen Sound, Ontario	40
	(2) Fort William Indian Band Tourist Development, Thunder Bay ..	10
	(3) Diamond Peat Moss Ltd., Newington, Ontario	15
	(4) Tweed Forest District Forestry Employment (Dept. Lands & Forests)	100
	(5) Metcalfe Foods of Canada Ltd., Deseronto, Ontario	41
	(6) Forest Stand Improvement, Eastern Ontario (Dept. Lands & Forests)	150
	(7) Quinte Fruit Growers, Trenton, Ontario	20
	(8) Northern Armature Works Ltd., Elliot Lake, Ontario	4
	(9) Smokey Kettle Maple Company, Sundridge, Ontario	5

No company has received more than one grant.

24. *Mr. Young*—Enquiry of the Ministry—Will the Minister of Agriculture and Food advise the House of the number of licences and registrations granted under the Act Respecting the Care and Provision of Animals for Research, as of this date, to:—(a) Supply Facilities, (b) Research Facilities also the number of registrations issued to Research Facilities prior to the enforcement of the Animals for Research Act?

Answer by the Minister of Agriculture and Food:

(a) As of June 15, 1971, two (2) supply facilities were licensed.

(b) As of the same date, twelve (12) research facilities had been registered.

No registrations were issued to research facilities prior to enforcement of The Animals for Research Act.

27. Mr. Pitman—Enquiry of the Minister—How many Annual Reports of the St. Lawrence Parks Commission were printed? What was (a) the unit cost, (b) the total cost of this publication to the people of Ontario?

Answer by the Minister of Tourism and Information: 300 (a) \$2.42 (b) \$726.00

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Legislature of Ontario
Debates

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ONTARIO

Legislature of Ontario Debates

OFFICIAL REPORT — DAILY EDITION

Fourth Session of the Twenty-Eighth Legislature

Monday, June 28, 1971
Evening Session

Speaker: Honourable Fred McIntosh Cass, Q.C.
Clerk: Roderick Lewis, Q.C.

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HOUSE OF COMMONS — FIFTH SESSION

THIRD REPORT OF THE JOINT SELECT COMMITTEE

Monday, June 28, 1954
Evening Session

Speeches by Members of the House of Commons
and by the Prime Minister

THE HOUSE OF COMMONS
1954

LEGISLATIVE ASSEMBLY OF ONTARIO

MONDAY, JUNE 28, 1971

ESTIMATES, DEPARTMENT OF TREASURY AND ECONOMICS (continued)

On vote 2402:

Mr. W. Hodgson (York North): Before we start the vote I would like to rise on a point of personal privilege. I would like to introduce to you the members, who are a group of parents, teachers and pupils from Oak Ridges primary school in the west gallery.

Mr. Chairman: It is not really a point of personal privilege, but we welcome your guests.

The member for York South.

Mr. D. C. MacDonald (York South): Mr. Chairman, at the dinner break I was about to try to put the clincher to an argument that I was making, but your predecessor in the chair looked so hungry I decided to forgo it until after 8 o'clock.

I do not know how much further we can pursue the particular point on which I have been questioning the provincial Treasurer, but let me try, just as a final thrust on it. Since \$2.25 billion, by the government's own calculation, was going to be invested by the private sector in machinery, how can the provincial Treasurer or the government justify using, or forgoing, \$125 million in taxes to get another \$125 million so that you increase the total to \$2.5 billion?

I mean, you had 18/20ths in the pot, so to speak, before you began. You put in the nineteenth 1/20th as a sweetener to entice the twentieth 1/20th into this component. The cost then accruing to the public good under those circumstances seems to be just too far below justification for spending \$125 million. What is the provincial Treasurer's comment?

Hon. W. D. McKeough (Treasurer of Ontario and Minister of Economics): Mr. Chairman, let me put it this way. Agreeing with the member's figures—and we could debate the figures for some time, in terms of multiplier facts and so on. We could debate it

particularly, in my view, of restoring some confidence, encouraging people and so on, but using the member's figures with a multiplier factor of two, we should stimulate for each \$1 that it is costing us, \$3 in investment. And I put it to you as simply as that. If we can find a way to spend a dollar and get three in return—three in terms of the economy—then we are happy.

Let me put it another way. Mr. Benson is removing the three per cent surtax, which means that, say, the member for York South may buy a car which ultimately, in the marketplace should cost something less, because the corporation taxes have been reduced and because the member for York South has a little bit more money in his jeans because the surtax has been used, but how much over and above what would normally have been spent is anybody's guess.

In other words, the removal of the surtax, which puts \$300-odd million into the economy of the country, does not necessarily generate new investment or new spending by the consumers. It may be they will end up spending exactly what they spent before. I tend to think not and I am sure the member for York South thinks not. As much as anything, it is creating a climate in which people do have a little bit more money in their jeans, or they will in the next 12 months.

The reduction in their pay cheque will be something smaller, because their taxes have been reduced and they will tend to spend more. How much is anybody's guess. But if they spend just a little bit more it will stimulate the economy and this is, hopefully, what we have achieved on the business side through the five per cent tax credit. And to put it as simply as possible, by spending a dollar—\$125 million—we hope to generate three more dollars—\$500 million.

Mr. MacDonald: Well, the provincial Treasurer has introduced a bit of a new argument. Since \$2.25 billion was going to be spent anyway, what he is now in effect saying is that you were willing to spend \$125 million and forgo that tax as a means of creating a better climate, to alter the whole mood and outlook of the business world.

It is a pretty costly measure. I could think of an awful lot of people in this society among whom we could spend a few million dollars, let alone \$125 million, just to put them in a better mood.

Since that \$125 million, by our own calculations, is only going to entice a like amount, another \$125 million, into the picture, I do not think it is justified. We will just have to see whether or not its impact is going to have a greater multiplier effect. Indeed, the only justification, in my view, is that if perchance at the end of the year you discover that not \$2.5 billion, but \$2.75 billion, or \$3 billion, is spent. However, I have the impression by the general reaction of the business world—in fact, almost the non-reaction on the stock market—that they are pretty insensitive these days. Whatever has happened to them, they do not react, and whether or not they are going to react here, time alone will tell.

Hon. Mr. McKeough: Or they have discounted.

Mr. MacDonald: In this country, yes.

Hon. Mr. McKeough: They have discounted their reaction, in terms of Mr. Benson's budget.

Mr. MacDonald: Let us move to another tax, however, on which I wanted to question the provincial Treasurer.

When he announced that he was going to permit interest rates on borrowings for corporate takeovers to be deductible for corporation tax purposes, we in this party were inclined to go along with it. We had grave misgivings from the outset, because it seems to me it introduces another tax inequity—that you are granting this concession to those who are in a position to be handling or have money in that quantity.

However, we were sufficiently impressed with the importance of the argument that it was going to remove an advantage that the American corporations had and therefore conceivably slow down, if not eliminate, the disadvantage Canadian corporations faced in the kind of sellout that is going on apace to American corporations and therefore in the growing domination of the Canadian economy.

I was a bit puzzled by Benson's reaction to this, because the day after the provincial budget came down Benson was queried and he spoke rather favourably of the provincial budget's action with reference to the five per

cent rebate on investment in machinery, but then he went on to say:

However, Mr. Benson was less complimentary when asked about Ontario's decision to allow companies to write off costs of borrowing money raised to buy shares in other Canadian corporations. The Finance Minister said this would not prove a great deal of relief. He felt the money might go to the people who should not get it and that the cost of borrowing had not been a serious factor in preventing Canadian companies from bidding against US companies for control of other Canadian corporations.

Now the provincial Treasurer will understand my puzzlement when, one week later, Benson did the same thing in his budget. I am wondering whether the decision to do it was such an 11th hour decision, or whether his habit of criticizing you, like your habit of criticizing him, is so instinctive that it departs from rational assessment? But in any case, one week later in his own budget he did the same thing.

However, the more I think about this the more I must say I have growing misgivings about the whole move. At the better of the two conferences on economic and cultural nationalism this past week I must say I was impressed with the argument that Eric Kierans advanced on our first evening.

He said that as far as he could see, nobody had commented on this point as yet, namely, that the granting of the right to write off interest for this purpose was going to, in the long run, have very significant deleterious effects in terms of the greater concentration of economic power. It was his guess—and it seems to me it has some validity—that faced with the growing concentrations of economic power and the effect they have on the economy, that if this is going to be an assist—and obviously it will be an assist—it is, in effect, an open invitation for one corporation to buy another.

He advanced the argument that there was an alternative; first to plead with the United States that the policy is neither in their interests nor ours. I must say that is an exercise in futility I have no intention of advising anybody to enter upon. Then he went to the real issue; that the more effective approach is a takeover review board in order to ascertain what is going to happen in advance. Presumably, if the board is granted this power, in certain instances it can forbid a takeover and take such supplementary action as is neces-

sary to permit the company to remain in Canadian control.

But even if one were to forget that for a moment, I am not so certain—and this is the point I put to the provincial Treasurer for comment—I am not so certain it is going to achieve the purpose for which the provincial Treasurer brought it in, namely to slow down, if not eliminate, this takeover of Canadian corporations.

It is true it now puts the Canadian corporation on somewhat the same basis as the American corporation, but our problem is that, generally speaking, American corporations have so much more money. All they have to do is raise the ante a bit—and sometimes, apparently, there are no limits to the extent they are willing to raise the ante for purposes of taking over a Canadian corporation, whatever be their ultimate objective—to close it down, or rationalize it with their operations in the United States.

All I am saying is that I am not so certain it is going to stop American takeovers and secondly, it is going to result, as Kierans warned, in greater concentration of economic power. The economic power may be a concentration of Canadian power, but there is no assurance that there will not be a concentration of American power within the Canadian economy.

Now, what is the provincial Treasurer's reaction to these sober second thoughts?

Hon. Mr. McKeough: Those thoughts all existed beforehand. This is nothing new. It has been discussed for several years. Why the federal government would criticize our move in this direction—I do not think it was quite in the space of a week, but in one month—and then several weeks later, turn around and do the same thing, I cannot say. At the risk of having another cartoon in the *Globe* and *Mail*, I am glad they followed our lead.

We are told that this has been a factor, but it is not the only factor. There are other factors. The cost of borrowed money in the United States is traditionally cheaper than it is in Canada, by a point or half-point. And this in itself makes it easier for an American company, for example, to compete more vigorously in the purchasing of a Canadian company than a Canadian company in Canada.

There have been ways around this. In the large corporations if one had terribly good advice from one's auditors and one's accountants and one's lawyers, I am told that what often happened is that they collected their receivables as expeditiously as they could,

allowed their payables to build up to an enormous proportion with the money in the bank, then bought the company. In effect, they had borrowed no money, they had just used their cash on hand and the day after the company was bought, their receivables returned to normal and they had to borrow to pay their payables. And this, or variations of it, I am told, happened.

So that for some acquisitions by Canadian companies this would have no effect at all. We think that it will in terms of some of the smaller companies.

We also think it happens to be right as well, in terms of equity. But I must say I do not put the great paeans of praise on it which some editorial writers did after we had done it. I am glad we did it and I am glad we pointed the way to the federal government doing it, which obviously has a much greater significance than what we can do with collecting one-fifth of the corporation tax, or between a quarter and a fifth.

What they have done is obviously going to have a much greater significance, but it is not by any means a complete answer. We do think it puts them on a more equal footing with an American company attempting to purchase a Canadian—

Mr. MacDonald: Do you agree that it is likely to result in greater concentrations of economic power?

Hon. Mr. McKeough: No, not necessarily, not really.

Mr. MacDonald: Well, how can you argue that when, in effect, you are facilitating the whole process toward monopoly control?

Hon. Mr. McKeough: I am starting from the premise that, for a variety of reasons, the Canadian company probably wants to sell. In a percentage, probably the great majority of cases, for one reason or other, do want to sell. Now we are back to succession duties again.

That has often been the reason why many small Canadian companies have decided they wanted to sell, or the thought was lurking there that they wanted to sell. They wanted to take what they had built up into a company and they have built up nothing else.

They wanted to sell, or somebody came along and said, "Do you want to sell?" And he said, "Well, yes, I have never thought about it, but I guess if the price is right I will."

So succession duties have probably been the largest single reason why a number of smaller Canadian enterprises, and for that matter some very large ones as well, have been sold and I think that is far more of a factor really than what we are talking about here.

Mr. Chairman: The member for Grey-Bruce.

Mr. E. Sargent (Grey-Bruce): Mr. Chairman, the minister admits that because of the money markets, the Americans, because of their borrowing power, can come into the country and buy up Canadian industries. How does he plan to offset these advantages and protect the Canadian economy and the competing industries, if this is happening? What is he doing to offset this?

Hon. Mr. McKeough: I do not think there are necessarily any major moves that will be made in the near future. I think there are a number of smaller moves, such as were made in this budget and as were made in the federal budget, a number of perhaps small but related moves which should improve our—

Mr. Sargent: Name one.

Hon. Mr. McKeough: There is just what we have been discussing, which I do not say is a major move but it was a reasonable move. I think there are a number of other smaller moves which will be made from time to time.

Mr. Sargent: I am anxious to know what they are.

Hon. Mr. McKeough: I think greater encouragement, such as we are developing through the Ontario Development Corporation, for the availability of loan capital to a Canadian corporation as opposed to a non-Canadian corporation.

Frankly, at this point, I do not want to prejudge what either the federal white paper may say—Mr. Gray's study—or what our own studies might show, but I am not enamoured particularly of any kind of a takeover review board, but I do not want to prejudge what the studies may say. I would describe that as a rather major step.

Mr. Sargent: Would the minister agree that the immediate programme to tax American firms more than the Canadian firms would be the answer, to offset this?

Hon. Mr. McKeough: The increase in the federal withholding tax does part of that.

Mr. Sargent: I know this is possibly not the place to ask it, Mr. Chairman, but the branch plant economy is in full flight in our area. American firms are withdrawing, closing up their plants and giving the business to firms in the United States. As for government policy—the way the minister talked about it—there is no policy in Ontario that is going to operate effectively.

I think that there has to be an immediate crash programme in this area, because we are the hub of Canada. This is where the action is and this is where it is happening.

The minister has no definite plan, other than the fact that he has \$505,000 in salaries and wages for this section of the vote, an increase of \$200,000 in the last 24 months. I ask the minister how many employees he has in this department.

Hon. Mr. McKeough: There are 39.

Mr. Sargent: He has 39 employees and he is paying them \$505,000?

Hon. Mr. McKeough: Yes.

Mr. Sargent: What is the background of these people who would be advising the Treasurer on taxation and fiscal policies? Where does he get these people from?

Hon. Mr. McKeough: I cannot give you the breakdown of the 39, but I am advised that most of them would be, and to my knowledge either economists or accountants—for the most part economists.

Taxation and fiscal policy—29 economists, one accountant, for a total of 30 professional people; nine clerical and administrative, for a total of 39.

Mr. Sargent: How far along are these advisers at bringing you on the VAT programme, value added tax programme?

Hon. Mr. McKeough: They have just started. They have had an interest for, I suppose, several years, but in terms of relating it to the Ontario scene I think they are just getting under way. They have been concentrating very hard on such things as GITAN, and the federal white paper and the full employment budgeting techniques. To my knowledge, I asked them a month or so ago, and they are well into a study on value added taxation.

Mr. Sargent: The Treasurer added \$100,000 last year in employees, and \$100,000 this year. Does he plan to add another \$100,000

worth of employees next year in this department, in this one section?

Hon. Mr. McKeough: It is this year's estimates that are before us, rather than next year's. I cannot honestly answer that.

Mr. Chairman: Item number 3. Carried?

Item number 4.

Mr. MacDonald: On economic planning, there is just a general question that I wanted to ask the minister. I am a little puzzled by the balkanization within his own department. We have economic planning here. We have economic analysis in a subsequent programme, and we have the Economic Council of Ontario off in another department. Now is there any rationale to this at all?

Hon. Mr. McKeough: Could I write you a letter on this?

Mr. MacDonald: I prefer to have it on the record.

Hon. Mr. McKeough: I can deal with the Economic Council, I think, and we did discuss that previously. Certainly they may well be doing much the same thing, but they are doing it presumably from an independent point of view.

I think there is some merit in the suggestion made by the Leader of the Opposition and certainly the Committee on Government Productivity is taking a look at this as to whether the Economic Council should not report through this ministry, rather than through The Department of Trade and Development to ensure that there is no duplication of effort.

On the other hand, I say this very frankly, as minister of a department which has a great deal of expertise—as the former leader of the New Democratic Party has said on two or three occasions this afternoon, we do have a considerable fund of knowledge—I would not be averse to building up some duplication in the Ontario Economic Council to provide a little bit of a foil to some of the bright people I have working for me. We are getting to the point, with great respect to my staff, that maybe we need a little bit of counteraction against some of the brains that we have working in Treasury.

Mr. MacDonald: Well, I do not know exactly—

Hon. Mr. McKeough: Mr. MacDonald was passing a note saying he disagrees, but—

Mr. MacDonald: I do not know what the provincial Treasurer is saying, but if he is saying that the Economic Council needs a little leaven in its loaf I would agree with him, because its reports are pretty reactionary stuff.

As a matter of fact they did a study on tax reform some time ago—I do not happen to have it in front of me now so I cannot recapture the details—but for a right wing reactionary document it was just beyond belief. This government would not dare implement it—and God knows you have gone as far as you could go and Benson has done a little bit better.

Hon. Mr. McKeough: The difference between economic planning—which is vote 2404, described as policy application—and economic analysis which comes a little further down is described as the technique of economic analysis. I think there is that distinction. One is a practical application, the other is really determining the best method of testing things, of analysing a particular situation. I will be glad to write a letter explaining it in full or send the deputy Treasurer over to talk to the member about it. I get a little confused, too.

Mr. MacDonald: I was just going to ask that I be given permission to sleep on it.

Mr. Chairman: The member for Grey-Bruce.

Mr. Sargent: Under this vote they are asking for \$50,000 for a conference on foreign investment and \$31,000 on another. What kind of a conference would a conference on foreign investment be? Would it advise you how to invest money you do not have? What do you do at a conference on foreign investment?

Hon. Mr. McKeough: That is just what we concluded on Friday at noon and I am told we are substantially under the budget.

Mr. Sargent: What do you do at a conference for foreign investment?

Hon. Mr. McKeough: We brought together some 20-odd people—

Mr. Sargent: Oh, they have been brought together?

Hon. Mr. McKeough: Yes, that was the conference which ran last Wednesday, Thursday and Friday.

Mr. Sargent: And it cost \$50,000?

Hon. Mr. McKeough: No, it cost considerably less than that. How much less, I do not know.

Mr. Sargent: How much?

Hon. Mr. McKeough: I am guessing; half that amount perhaps.

Mr. Sargent: How much investing do you do outside the country that you would need to spend, to budget, \$50,000 for?

Hon. Mr. McKeough: We brought together—we invited, some 300 people; we had some 20 conference participant speakers, members of panels. I think only two or three of those people were paid for their services. I am not sure that any were, but their hotel and travel was provided. There were three conference meals for all 300 or 400 people. There was a certain amount of printing of agendas, letter writing and so on, and we will be following up. Some part of that money will be spent on sending out all the conference papers.

Mr. Sargent: Does this happen at every provincial level? Does the federal government do this? Does each province do this?

Hon. Mr. McKeough: The federal government, to my knowledge, has not had such a conference.

Mr. Chairman: Item 4.

Mr. M. Makarchuk (Brantford): On the same point, on economic planning, can the minister state at this time, or define, what goals this is aimed at? Or has he set any goals for his economists to plan for? In other words these would be, I presume, socially desirable goals such as full employment or regional growth or regional development in certain areas, or the development of industry in depressed areas and so on.

Has he defined those kinds of goals? Has he put any date or time on them, or is this just sort of planning more or less, not necessarily with some definite aim in mind but just to ascertain the options that would be open to the province?

Hon. Mr. McKeough: These are broad analyses on which the aims of the budget are set. The economic planning branch publish, for example, the Ontario Economic Review which members receive and that is the sort of work they are doing. It is a little bit more—I do not want to get into trouble here—theoretical than practical. Often they set the

goals, the prognostications as to where they think the economy is going, and then the taxation and fiscal policy people take it from there and figure out how to achieve goals which may have been set by the economic planning branch. They are wide goals rather than narrow goals.

Mr. Chairman: The member for York Centre.

Mr. D. M. Deacon (York Centre): Mr. Chairman, I did not quite grasp that fine point when you shifted from item 3 to item 4. Was that just a moment ago?

Mr. Chairman: It was some time ago and we have almost shifted to No. 5.

Mr. Deacon: I wanted to ask the Treasurer if he has considered in this the matter of having interest costs in connection with purchase of Canadian securities or Canadian equities deductible in calculating Ontario corporation tax, in the same way that American corporations may deduct interest on moneys borrowed when they purchase equity positions in Canadian companies? This is a tax advantage for foreign—

Hon. Mr. McKeough: That is what we did in the budget.

Mr. Deacon: You did in the budget?

Hon. Mr. McKeough: It has been done.

Mr. Deacon: I did not recognize that in the budget.

Mr. Chairman: Item No. 4 then.

Mr. Deacon: The other point is—

Hon. Mr. McKeough: It is on page 26 of the budget.

Mr. Deacon: That is interest on any moneys borrowed to purchase securities is deductible, the same way as foreign corporations have it?

The second point is has the economic planning branch worked on some sort of incentive to try to attract together the \$10 billion odd of surplus funds which the York University study of two or three years ago indicated would be available in the hands of Canadian investors seeking opportunities for equity investment in Canada?

I think the study was funded by the Toronto Stock Exchange as its centennial project. It indicated that a major portion of the new

equity that would be required for development in the country would come from reinvestment of earned surplus or accumulated surplus. Another would come from parent sources outside, but actually there would be a shortage of opportunities in this country for Canadians to invest in risk capital situations.

One of the major problems I have found faced by new investors in this country is lack of marketability of Canadian capital situations. We have a fairly large number of blue chip situations but very much less than the actual demand for good blue chip opportunities.

A lot of our new risk securities of course lack marketability and we need somehow to attract, set up, whether by government sponsorship or some other means, means of attracting major funds that could readily form pools of capital for new investment in this country and this province, and would be Canadian controlled.

I point out to the minister, Mr. Chairman, that Japan has financed a major portion of its investment—almost entirely all its new investment in growth in the postwar period—out of the reinvestment of fund profits, but also by attracting its own ordinary wage earners—who, we know, have worked at wage levels far below our own wage earners in this country—by attracting their savings into risk situations.

I think we must tackle this problem of forming pools of capital before punishing foreign investors in this country by some means or another. We do not want to discourage foreign investments, in my mind, as much as we need to encourage our own Ontario investment in this situation.

I would like to know if the minister's advisers are planning to try to overcome this deficiency of Canadian risk capital in order that we can perhaps give more advantage and encouragement to Canadian control situations than we are now doing?

Hon. Mr. McKeough: Just two or three things. I am told we are in consultation, have had discussions—I do not think anything conclusively as yet—with Professor Conway of York University on the particular matter which the member raises.

A couple of other things. The move in the federal budget in terms of limiting investment of pension funds or requiring that at least 90 per cent of pension funds be invested in Canada presumably is a significant step.

The step of raising the dividend tax credit from 20 per cent to 30 per cent looks like a good move for the small investor, but the investor with a taxable income of—and I am not sure of these figures—I think about \$30,000 or \$40,000 is going to lose money.

I think this is one of the things we are going to be discussing with Mr. Benson because it is that investor, and the small investor, too, we want to get into Canadian equities but it is the large investor who we also want to keep in Canadian equities and I think we have in many ways made it more attractive for him than we have in the past rather than taking some of the advantage away from him.

These are some of the things we are studying in relation to the budget and we will have some comments on that, but what I have just said is off the top of my head.

Mr. Deacon: Two points, Mr. Chairman, I want to bring to the attention of the Treasurer. First of all, the imposition of a requirement that pension funds invest a major portion in Canada is of some help but the fact that they usually put a very small portion of those funds into equities is one of the major problems. They also say the reason they do not is in this first item I raised, that matter of marketability.

They have to be able to liquidate securities readily. Has the government given any thought to the matter of participating with the investment community in the formation of pools of capital by its taking a risk position with different private groups that wish to form holding companies?

In this case the government's position should be a minority interest but would be an indication to the investor that this is a respectable situation, and that as an investor, the government would see that people got a good run for their money.

They would also recognize that the government is prepared to lose as well as gain in the situation along with them. This type of practice has been quite helpful in Europe in persuading funds to invest in risk situations there, even, I understand, in countries besides the better known European ones.

With regard to the small investor, I suggest that is a major source of funds, not a minor source. It could be a major source inasmuch as many people can save far more than we ever could imagine. I think that is something in which I would like to see the Province of Ontario give leadership; not just relying on the federal tax incentives which we have

just discussed, but by itself, setting up and encouraging the setting up of some of these opportunities for smaller investors to participate in the growth of this country.

Some hon. members: Hear, hear.

Mr. Chairman: Item number 4.

Mr. Sargent: Mr. Chairman.

Mr. Chairman: The member for Grey-Bruce.

Mr. Sargent: Of the staff the minister has in his department, is there a man named O. M. Schnick in this department?

Hon. Mr. McKeough: Next vote.

Mr. Sargent: Planning and policy? No, it is planning.

Hon. Mr. McKeough: Next vote, 2403.

Mr. Chairman: The member for York South.

Mr. MacDonald: Are we on 4 or 5?

Mr. Chairman: On 4. All right, 4 is carried, now 5. The member for York South.

Mr. MacDonald: Mr. Chairman, a number of my colleagues will want to raise specific regional development plans but for a moment I want to deal with the general framework of the regional development councils. This is a topic that I suppose I have spoken on yearly for about the last 15 years, ever since regional development associations began to come into being about 1956, beginning with the one in eastern Ontario. I must say that I felt a little rewarded for the effort down through the years—although my action did not seem to be making much progress—when I read the comments of the new director of regional development in the Globe and Mail some two or three weeks ago—June 4 to be exact. Mr. Clasky was reported as saying that, “the government was reassessing the role of the province’s 10 regional development councils because of their failure to involve people in the planning process. What started out as a noble, well-motivated movement to get people involved in planning has failed.” Mr. Clasky said councils were designed as “the basic expression of public interest and participation in their regions’ planning and development.”

Then later Mr. Clasky said:

Government officials are searching to find why the councils have not worked despite the goodwill of council members. All the options are open. We are desperately

searching for ideas, that is, for a new council role.

Now, as the minister himself may recall, many of those are precisely the criticisms that we have made from this side of the House originally with reference to the regional development associations when, in Mr. Clasky’s own terms, “they were only a loosely knit association of local organizations that were begun in the 1950s to promote new or expanded industries in their areas.” He contends now that part of the reason for continued failure is because councils have appointed representatives but there has been no effort to bring people in from the private sector of the economy. He noted that in the five-year history, that is, of the councils since 1966, they have been asked several times to advise the government, “This has not been successful because the quality of the comments vary greatly among councils.” That is about as kind a description as I have heard of what went on by way of advice from the regional development councils for quite some time.

Mr. Deacon: The member does not think they did much good, eh?

Mr. MacDonald: Pardon?

Mr. Deacon: The member does not think any of them did any good?

Mr. MacDonald: No, they did not do much good.

Mr. Deacon: I guess the member has not been aware of it. Some of them did.

Mr. MacDonald: The government is now doing an assessment of them. Perhaps if the hon. member for York Centre is a champion of local regional development councils he can get up later and correct the imbalance of my comments.

But they certainly have not provided very useful advice and the government has not been of very great assistance, because there has not been much guidance from the government to provide a framework or the guidelines for the action of the councils.

In fact, I want to go on, because Mr. Clasky himself makes comments that I want to explore with the minister. Mr. Clasky is the civil servant; the minister is the man responsible for policies. For example, in one of the further paragraphs he states that the councils have been ill-organized and they did not get the total guidance they required from

the government. He explained that the provincial goals must be established before their regional variations can be considered.

Now, if I can capture the minister's attention, there are a number of questions I would like to put to him, and perhaps I should put this on to him before I go any further: What change has taken place in government thinking that they are now going to be able to provide guidance, or that they are going to be able to state overall provincial goals that might conceivably make the regional development councils more operative or more effective in their operation? What is the change that is in the making?

Hon. Mr. McKeough: There is no change in policy. What Mr. Clasky was doing, I think, was asking a number of questions, questions which the member for York South has really just asked and which I asked myself, or have been asking myself for the last couple of months. There has been no—

Mr. MacDonald: We have been asking them for the last 15 years.

Hon. Mr. McKeough: I have only been responsible for these—

Mr. MacDonald: That is why it is refreshing to get them from the inside.

Hon. Mr. McKeough: Well, he is new on the job too. Perhaps I will put on the record the letter which Mr. Clasky wrote. Unfortunately, the speech which he delivered was delivered from notes and the text of the speech is not available, and that is unfortunate.

Mr. T. P. Reid (Rainy River): Sounds like a cabinet minister. He has learned already.

Hon. Mr. McKeough: This is a letter which the director of the branch wrote to each of the presidents of the regional development councils.

It is very possible that you will have seen the attached article which was published in the *Toronto Globe and Mail* on June 4, 1971. Because it purports to be an account of a meeting where I spoke, it seems advisable to comment briefly. I do this because the very negative tone of the newspaper report is not in accordance with what I said.

The occasion in question was the closing session of the annual conference of the Community Planning Association of Ca-

nada, Ontario Division. This year the conference theme was "Public Participation in the Planning Process" and I was asked to give some general views on the role of the regional development council, and to offer some thoughts on how the councils might operate as channels for public involvement in the planning process.

The main point which I made was this. When we compare the need for public involvement and the role which councils can play in transmitting the public's concern, with the limited impact which the councils have in practice, the inescapable conclusion is that regional development councils have not succeeded in becoming effective instruments for the public role in regional planning.

I noted that the reasons for this are complex, but three major points stand out. The province has yet to clarify in its own mind the role it visualizes for the regional development councils—

And I say that is a fair comment.

Mr. W. G. Pitman (Peterborough): Hear, hear. They have been around for a long time.

Hon. Mr. McKeough: The letter continues:

Financial support for the councils, particularly from the private and municipal sectors, has been limited and uneven, making it difficult for the councils to pursue a long-range programme of research and education. And, three, in many quarters councils are viewed as rivals to municipalities, as legitimate expressions of the local interest in regional planning, and this is due in part to the presence of two parallel systems of planning in Ontario, provincial and municipal.

Having said this, I remarked that it is virtually impossible for regional development councils to play a fully effective role. This is true, despite a high motivation, will and organization displayed by many councils. From this I move on to a brief description of the current review and examination of regional development councils.

I pointed out that all the options are open, and gave three examples of possibilities for a restructured council system:

One, many economic councils; two, forums for joint discussion and recommendations by municipalities on regional issues; and, three, vehicles for the participation of the general public.

Then the letter concludes with some other material, but, in essence, I am satisfied with what the director had to say.

I think he was asking out loud some questions which were running through his mind in front of a group from which he may have hoped on that day—or would hope in the future—to get some good answers, the Community Planning Association. They are the sort of questions which, quite frankly, I have been asking myself since I assumed this portfolio, not with any great vigour as yet, but which I will be doing in the next few months.

I think it is fair to say that all of us in this House, on both sides, have from time to time made criticisms of the regional development councils. From my point of view, coming from The Department of Municipal Affairs, I suppose it is fair to say that I was subjected to more than a minimum amount of criticism of the regional development councils from municipal people. I would have to say, from my point of view, from listening to my own staff there was a certain amount of criticism of regional development councils.

I think the point that Mr. Claskey makes is that we have not as yet defined their role and I am not really sure that that definition is around the corner. What I have thought of the regional development councils and by my observation, is they have done an excellent job—and I look at my own area—of opening some municipal eyes and some public sector eyes, local eyes, to a wider view, to a regional view, if you will.

Regional, in many parts of Ontario is, for a variety of reasons a very dirty word. But they have been opening eyes and making people look a little beyond their own backyard and if the regional councils have accomplished nothing else, they have accomplished a great deal in that regard. Some of the examples of co-operation which can be seen and extra-backyard thinking can be traced, I think, to regional development councils.

From my point of view, I think that ultimately you will see regional development councils become, in some way, associated with the regional governments, rather than with the province. The problem is we do not have enough regional governments as yet to justify that kind of a move. How soon that will happen I do not know.

I am quite sure that the principle is sound; that we need, in addition to a strong local government, something more—just as we at the provincial level rely heavily on the ad-

vice we receive in this House, on the advice which we receive from our staff, on the advice, good or otherwise, which we receive from the people every four years. We find, in the process of government, it is incumbent on us to consult with a variety of people on a great variety of topics. We need the briefs coming in to us, frankly, if we are to stay alive to what is going on in the Province of Ontario today.

I suspect this is equally true—it will be at the regional level—that there must be a forum. Perhaps we need to be more organized at the provincial level through the Ontario Economic Council, for example. But there needs to be a forum in which government, both elected and appointed; the private sector; the trade unions; the chambers of commerce; our large businesses in an area; the transportation industry; the provincial civil service, for example, perhaps the members; can come together on a regular basis, perhaps half a dozen times a year, and take a look at the broader picture, broader than just government in itself can look at.

Those are my random thoughts and I have not come to any definite conclusions. I propose to spend a couple of weeks this summer touring the development councils and meeting with them on their home ground—both with the councils and with the boards—and discussing my ideas as to where I see them going and their ideas as to where they should be going, are going or have gone. Hopefully, we will make some sense out of this policy within the broad framework that I have suggested of greater local involvement in the next few months.

Mr. MacDonald: Mr. Chairman, the minister has been very frank in stating that he is deeply involved in reassessment and therefore he is talking, so to speak, off the top of his head as to what the future may be. Therefore, I suppose there is not much point in pressing unduly at this stage because the minister simply does not have the answers he is seeking. Fine. I must say that I think Mr. Claskey was unduly sensitive in feeling that his comments were negative. I think—

Mr. Pitman: They were right.

Mr. MacDonald: —they were dead on and if they had a negative tone, it is just that they made the kind of assessment from the government side that we had perhaps not been making too effectively on this side.

Mr. Pitman: Pretty effectively, I think.

Mr. T. P. Reid: No, the member was right; pretty ineffectively.

Mr. G. W. Innes (Oxford): As usual.

Mr. MacDonald: When I said "this side," I was including the Liberals—that is where the ineffectiveness crept into the picture.

Mr. T. P. Reid: Speak for yourself.

Mr. MacDonald: However, if I may come back to make a number of points. If the main thrust of the government's effort is to get public involvement, I think it is useful to look back and see how it has not been achieved in the past.

For example, the instance of the regional development associations. Prior to 1966, these grew up like Topsy; they varied from one part of the province to another. In many instances, as Mr. Clasky said, they were really loosely knit associations for industrial promotion in that area and you had attached to them people from the local municipal council. That is not a very imaginative nor effective way to get public involvement in it.

Now the effort since 1966 has varied to some degree. Quite frankly, offhand, I am not too clear in my own mind how fundamentally different the councils were from the associations. In any case, this is common; they both failed by Mr. Clasky's assessment and now the government's assessment. If they failed, and this is where I want to really get to—if they failed, Mr. Clasky's positive presentation indicated three areas where they failed.

First, the government had not provided an overall framework and guidelines—

Mr. Pitman: There is the problem.

Mr. MacDonald: There is the nub of the whole thing, and whether or not in the minister's summer peregrinations he can discover how the government can do that, I do not know.

Mr. Pitman: How they can be without one for five years is what amazes me.

Mr. MacDonald: If he does not discover how to do that, he can rename them, he can do anything he wants. But, quite frankly, in the next assessment five years hence, they will have failed once again.

The second reason they failed is that they were not given adequate financing.

Mr. Pitman: Right.

Mr. MacDonald: In fact, there have been tens of thousands—I am not going to make it any bigger than that—there have been tens of thousands of dollars poured down the drain because it was given out, and Dr. Thoman was a past master at this, to get this public involvement and to have another report. Well, to give them \$5,000 a year or two ago for assessment—

Mr. Pitman: For a summer project.

Mr. MacDonald: —for a summer project by each regional development council—\$5,000 to do an assessment of an area—

Mr. Pitman: It is not enough to do a mailing

Mr. MacDonald: —is really nonsense! We are wasting the money. What they did was to provide a summer job for somebody who rearranged the statistics that were pretty readily available and out came another report which was really not worth the paper it was written on. Little wonder the government did not get very much useful advice from it.

So the minister has to make up his mind what kind of funding it is going to be, and of course the dilemma he faces is that it has got to be really sizable funding if they are going to be able to play an effective role. We cannot spend tens of thousands of dollars and get something effective; that is just wasting it. We have to spend hundreds of thousands of dollars if we really want to achieve something effective by way of assessment.

The third reason—and here, once again, perhaps the minister is the appropriate one to get at it since he has come from Municipal Affairs—surely sometime soon, as part of the government's guidelines and approach, there has got to be some indication at least of what the government envisages as the appropriate liaison or relationship between the regional development councils and regional government or, in the absence of regional government, of the municipalities who happen to be in that area. Otherwise we are going to have this sort of standoffishness and rivalry that not only results in neither of them doing the job too effectively but in a dissipation of energies and attention of time as between the two bodies. We really are not making progress; we are slipping back rather than making progress.

Those three basic areas—guidelines from the provincial government, realistic approach to the funding, and the relationship to the

regional governments or the local regional municipality—those must be clarified or else we will never get effective regional development councils.

The final comment I want to make is that I was interested in Mr. Clasky's explanation as to the three options he put at the end. One of them is the "mini" Economic Council. I do not see it in the "negative" phraseology of the Globe and Mail report. Here, according to the Globe, he suggested three possibilities: First, a forum larger than regional governments of neighbouring municipalities to discuss area issues. The minister has already indicated in effect what might conceivably be a way in which we can get municipalities to look beyond their own borders and see some of the wider problems.

Secondly, a forum for the non-government sectors, such as consumer-employees and employee groups to comment on regional plans. Is that the "mini" Economic Council?

Hon. Mr. McKeough: I think so, yes.

Mr. MacDonald: I see. And thirdly, an open-door forum representing no organized interest where any interested person could take part. Well, that one strikes me as being pretty loose-knit.

Hon. Mr. McKeough: A little hairy, I think; but however—

Mr. MacDonald: Anybody who has a beef can come in and have a forum to express his views.

Hon. Mr. McKeough: It sounds like something that might be run at OISE.

Mr. MacDonald: At least it was alive. As a matter of fact, somebody told me they saw the channel 19 programme and it was so lively over there that there was a certain minister who was caught asleep. At least that was a sleepy countenance.

Mr. Pitman: The minister was the only one there most of the time.

Mr. MacDonald: The TV cameras did not do the minister justice then.

Hon. Mr. McKeough: I was deep in thought.

Mr. S. Lewis (Scarborough West): The minister and the civil servants with whom he frantically filled the seats.

Mr. MacDonald: Mr. Chairman, I am not going to pursue this further because these three options are in such general terms, and

I must confess at this point they do not strike me as being very effective blueprints for new regional development councils. Perhaps we will have to wait on the minister's summer peregrinations again.

Hon. Mr. McKeough: I would like to disagree with the member for York South, but I can only tell him that I agree a great deal with what he said; and the questions which he has raised in terms of the provincial role, the financing, the relationship of local government, are questions which I will be pursuing in the next few months. They are questions which must be answered before we can define what the role really is and how best to do it.

Mr. Pitman: I wish the minister was around a couple of years ago.

Mr. Chairman: The member for Thunder Bay.

Mr. J. E. Stokes (Thunder Bay): Thank you, Mr. Chairman. I would like to follow up in more specific terms what my colleague from York South has said, and I would like to get some indication from the minister of just what is going to take place with regard to the implementation of the 69 recommendations, or at least some of them, contained in the Design for Development: Northwestern Ontario, phase 2.

I would like to relay to the House, Mr. Chairman, some of the reflections made by a submission to the cabinet by the Northwestern Ontario Development Council. They call northwestern Ontario "a region of challenge." And I quote:

Recommendations in Phase 2 apply to an economic region that comprises approximately more than half of the land and water mass of Ontario, yet its population is less than 250,000—a minute fraction of the province's seven million.

As the report emphasizes, its rate of growth lags far behind the provincial average. In considering population in relation to area, one might conclude the region to be largely inhospitable wasteland, a desert of rock destined to form a geographical barrier forever between the east and west of Canada.

In truth, the region is fabulously rich in the natural resources of land, water, forest, minerals and scenic wonders. Its 200,000 islands on its lakes make it one of the uniquely fascinating areas in the world, as large as France, nearly as big

as each of the Prairie provinces. Its resources compare with those of many full fledged nations.

Its resource-based economy is represented by a dozen giant pulp and paper mills and related forest products enterprises that produce \$300 million in new wealth annually; a dozen or more precious and base metal mines that produce half that wealth; a tourist industry nearing the \$100 million mark; transport and service industries of impressive proportions, diversified by a limited number of manufacturing concerns. Despite this sturdy showing we trail in population and development behind other seemingly less favoured areas. Why?

Is it a psychological deterrent so far as capital investment and people are concerned, simply a matter of latitude? We are north only in relation to southern Ontario. The developed area of our region is actually south of the rest of western Canada. On a clear day—and most are—the United States can be seen from Thunder Bay. In a real sense we are in the deep south of Canada.

Is economic growth inhibited by transportation costs?—a factor doubtless. But are we to admit, with our technological genius and transportation expertise that spanned this country with steel nearly a century ago, that a product made here from our natural resources cannot compete in our domestic and continental markets with one produced in Japan, on the other side of the Pacific, or from European countries on the other side of the Atlantic? Or elsewhere in Canada?

In a national sense we are not northern Ontario, but central Canada, equidistant from the Atlantic and Pacific coasts, the crossroads of the nation. Thus we are closer to the larger consumer markets than many manufacturing centres.

Furthermore, we have a deep-water port linked by shipping lanes to every country that borders an ocean. More than a century after Confederation should we not be the economic linchpin securing our nation at its core, binding east and west together and silencing the raucous voices that would fragment and balkanize our magnificent land? Is the trend simply toward megalopoli, more people and more industries, crammed into already crowded areas?

Within a couple of decades, said a federal minister recently, more than 80 per cent of the population will be concen-

trated in a dozen metropolitan centres or city states. Another federal minister observed that this trend is irreversible. The battle, he said, has been lost.

At this place in mid-Canada and at this point in time it seems inconceivable to us that providence destined Canada to be a few mini-New York anthills in so spacious and so splendid a domain.

Our layman's view is that people do not flood into existing metropolitan cities for cultural and entertainment value. They go where the action is, where job opportunities are, where labour markets are non-existent elsewhere.

The bulk of new immigrants flock to the great cities. The Mid-Canada Development Foundation predicts 100 million or more people will be in Canada at the end of the next 100 years. Will they be piled on top of those already in our main centres? Are balanced growth and decentralization really obsolete and empty phrases?

Despite the predictions and projections, we note growing dissatisfaction with the quality of life in the asphalt labyrinth, the concrete and glass canyons, of major cities. Impersonal and dehumanizing aspects of daily life now are aggravated and compounded by noise, by poisoned atmosphere and polluted waters. Detected is the desire to recapture one's spiritual and physical oneness with the world of nature around us and to realize the Canadian dream of limitless horizons, of useful, happy and productive lives.

In our view, that is what Design for Development is all about, people and opportunities for them. Bigger is not better, but implementation of a dynamic programme for rational and orderly growth is the means by which northwestern Ontario can open up new and varied job opportunities for its trained new generations, emancipate most of its communities from the shackles of single-industry status, provide the kind of services and amenities that add to the special quality of life enjoyed by buoyant and vigorous people.

In his last address to the northwest before retiring as Prime Minister, hon. John P. Robarts declared this area the very hinge of Canada in its infant years of nation building.

Design for Development in the twentieth century can be the hinge, the tool to make Ontario's north an ever-stronger link in the national chain, destroying forever the

lingering fallacy of barren barrier dividing east and west and building a bridge of economic and population strength serving Canada's immense domain at its very centre.

Ontario's slogan is A Place to Stand. Design for Development can be the rock on which to build the northwest's place to stand in the sun of Ontario's tomorrow.

I do not think anyone has to tell the minister who the author of those fine words were. It was Mr. Lackey Philips who is the general manager of the Northwestern Ontario Development Council. It heartily endorses most of the 69 recommendations contained in the Design for Development for northwestern Ontario. I think the minister, and certainly his director of regional development, knows that the council thinks that the design is unambitious, that is, it thinks the 18,000 jobs that can be created, or that it is anticipated will be created over the next 20 years, can be stepped up.

It makes the following recommendations: That all phase 2 proposals to promote and expedite the economic growth of northwestern Ontario be implemented within a five-year period, while those recommendations embracing the social infrastructure be started within a 10-year period.

The minister was asked this directly, I think, when the Northwestern Ontario Joint Chambers of Commerce were down in the spring. One of the spokesmen was Mr. Lackey Phillips. They were a little bit disturbed when we found that they were going to study further the feedback that the department got from the Design for Development, from the various communities and interested groups in the area. They sort of scrapped, or held in abeyance, the transportation study that was announced concurrently with the unveiling of the Design for Development, on October 13, 1970, at the Lakehead University. They have embarked on yet another study, to study the transportation problems which this department considers to be one of the greatest deterrents to development in the north. So I think the question was asked, when can we expect some positive, concrete and tangible results from this study that everybody was so concerned about and so anxious about, and where a great deal of local input had been put into the study.

Since phase 2 of the Design for Development for Northwestern Ontario, along with the Toronto-centred region plan are the only two plans in the 10 economic regions to have

reached phase 2 stage, when can we expect something tangible from those results? Will the minister break down at least some of the 69 recommendations and give us some kind of timetable or something to hang our hat on, at least for the next year until we can get the show on the road?

Hon. Mr. McKeough: I hesitate very much—I should first of all say that we have not officially seen the report which the member read from the Northwestern Ontario Development Council.

Mr. Stokes: The Treasurer has not seen it?

Hon. Mr. McKeough: No; it has not been submitted to us formally. It was circulated at the meeting. I do not think it is coming to us formally as yet. However, be that as it may, and there are still—I may have had it in the last couple of days, I am not sure of that. We also had one, I think today, or last week, from the Northeastern Ontario Council, but that would be on the phase 1 report. Be that as it may, we had a deadline, I think, at the end of March for briefs. They are still coming in. We have had a couple in the last two or three weeks, not major ones, but more than that. We are in the process, I should say, of analysing the briefs, but I want to be very frank with the member, we are behind for a variety of reasons. We lost time over the winter months and the change of ministers, and we are behind on both the Toronto-centred plan and the northwestern Ontario plan. The cabinet committee has been meeting regularly. On Tuesday we are hoping to schedule, as soon as the House rises, a couple of all-day meetings to finish up what we call the conference on the Toronto-centred plan and then we will move immediately into the northwestern Ontario plan. I do not want to be tied down to timetables, because we have given timetables before and have learned to regret giving definite dates. But I can assure the member that we are back on course now and are dealing with the resolution of conflicts in the Toronto-centred plan and which will be in the northwestern plan. I would hope in the next few months that we will have something definite to say about both of them.

Mr. Chairman: The member for Grey-Bruce.

Mr. Sargent: Mr. Chairman, it is interesting this year in these estimates that in every vote we go over there is a section called transportation and communication. This is where we hide the parties, the booze, and all the

expenses—under the nice term, “transportation and communication.” I would like to ask the minister if he thinks that this is ethical?

Mr. J. R. Simonett (Frontenac-Addington): Say that again a bit slower.

Mr. Sargent: I will say it very slowly.

Mr. A. Carruthers (Durham): Is the member talking to us?

Mr. Simonett: The member is talking about transportation or booze?

Mr. Sargent: For the member for Frontenac-Addington's edification, under transportation and communication is all the money spent on parties? About \$1 million a year is spent on parties and booze. It is under this vote, transportation and communication.

Mr. Pitman: That is communication made easier.

Mr. Sargent: I want to ask the minister if he agrees that this policy is ethical across the board, as the provincial Treasurer?

Hon. Mr. McKeough: Perhaps I can give the member a breakdown of the amount that is spent in this particular category.

Mr. Sargent: I did not ask the minister that. Is the idea ethical to hide parties and expenses on liquor, except under this vote?

Mr. Simonett: What does the member do?

Hon. Mr. McKeough: The auditor does not approve those sorts of things.

An hon. member: Who does?

Mr. Sargent: The point is, Mr. Chairman, as a taxpayer, we read in the *Globe and Mail* every morning, Maxwell Henderson's horrible stories from Ottawa. What Henderson uncovers at Ottawa is fully portrayed—

An hon. member: That is in Ottawa.

Mr. Sargent: —in a series in the *Globe and Mail*.

Mr. J. Renwick (Riverdale): Where did the member read that?

Mr. Sargent: Here we have a \$4 billion spending body here, Mr. Chairman, and by no way is there anything wrong in this administration at all. The minister goes one step further. He says: “Now we will hide this thing under the guise of nothing for travelling expenses, nothing for parties. It is for enter-

tainment; it all goes under transportation and communication.”

I say that this is corruption to hide things like this.

Mr. J. Renwick: It is a Liberal government in Ottawa, the member knows. No wonder there are horror stories.

Mr. Simonett: Is that the way the member does it in his town?

Mr. Sargent: Pardon?

Mr. Simonett: Is that where the member puts it in his town?

Mr. Sargent: We have auditors that cost us about \$6,000 a year and they keep me out of trouble. They tell the truth.

An hon. member: I am awfully thirsty.

Mr. Simonett: But does the member tell them the truth?

Mr. Sargent: That is a point. If I do not, they will get me down with Stafford, I guess. I do not know.

Mr. Carruthers: Is there a question mark after that?

Mr. Sargent: But it is amusing, Mr. Chairman, under this vote we have the Premier's air force now. Every day down at the island airport we have the air force. You fellows do not know what goes on down there. As I was watching today, the twin Otter, that big palatial thing, that probably cruises about 250 to 300 miles an hour, and is stocked with a bar in it—

Mr. Stokes: No.

Hon. J. W. Snow (Minister without Portfolio): At 150.

Mr. Sargent: They have a Kingair. They have a Duke and they have about four or five beautiful executive planes for the executive branch—not Lands and Forests. These fellows go down there daily to cavort about the province. Now it is interesting. One day I was down there; I was going to fish.

Mr. J. E. Bullbrook (Sarnia): The fishing season is over.

Mr. Sargents: Members have got to hear this. This is good for the record. I go down there and I take a taxi down and I carry my baggage across on the ferry. Here along comes the Treasurer and a few ministers in this vast limousine in the back with their

feet up lying back there. The ferry goes across 100 yards, and when one gets across the ferry, there is another 75 feet to walk to the plane. They do not want to walk that 75 feet so they take the big limousine across on the ferry and they drive 75 feet to their plane. They are lying back on the back ends. Oh, it is beautiful. Members have got to see this thing. I sit back and watch this thing.

Mr. Simonett: The member could do the same thing.

Mr. T. P. Reid: Did they lift them into the plane?

Mr. Bullbrook: I knew the member when he used to sell hardware.

Mr. McKeough: Perhaps I could explain that we have to take the cars across, because we could not possibly carry all that booze. We needed the car to take it across.

Mr. Sargent: And the minister is not kidding.

Mr. T. P. Reid: The ministers probably already had the booze and could not walk across.

Mr. Sargent: No, but what is galling is the fact that—

Hon. Mr. McKeough: I was saying that facetiously for the record.

Mr. T. P. Reid: It is a little late to think of that.

Mr. Sargent: It will be amusing to watch Hansard in a few days to see if that has been deleted.

An hon. member: I am not sure that it is.

Mr. Sargent: There we have the air force down there. I would like to know, tabled in the House, Mr. Chairman, the amount of money spent this year on the purchase of aircraft, whether leased or purchased? Not a mile is flown on these junkets the ministers are on in this thing that is not politicking about the province and, if it is right to have aircraft available to fly ministers home on the weekend and all these trappings of—

An hon. member: Royalty.

Mr. Sargent: —royalty. That is a good word. It seems at no time, Mr. Chairman, that regional government—

Hon. J. A. C. Auld (Minister of Public Works): Is the hon. member still grounded?

Mr. Sargent: I am talking about—

Mr. Chairman: Order, please.

Mr. Sargent: —transportation and communication under this vote on—

Mr. Chairman: Order, please!

Mr. Sargent: —regional development.

Mr. Chairman: Order, please! We are dealing with vote 2402 item 5, which says in my book, "regional development."

Mr. Sargent: That is right. Under transportation and—

Mr. Chairman: The hon. member was talking about anything but regional development.

Mr. Sargent: Mr. Chairman, I was talking about transportation and communication. You look at that place—

Mr. Chairman: Perhaps we could get back to regional development.

Mr. Sargent: You get back and look and you will find what is going on here.

Mr. Chairman: Will the hon. member please get back to regional development?

Mr. Sargent: All right, Mr. Chairman, I will.

Mr. H. Worton (Wellington South): Where is that on the vote?

Mr. Chairman: Item 5.

Mr. Sargent: Page 319, bottom of the page.

Mr. Breithaupt: It is broken down on the other page.

Mr. Bullbrook: Have you got the breakdown, Mr. Chairman?

Mr. Sargent: Since the minister has been in the saddle, riding his spurs and galloping all over the province wildly and—

Mr. Bullbrook: Widely?

Mr. Sargent: Wildly, and spending untold millions of dollars in this vote of regional government—

Mr. Chairman: Development.

Mr. Sargent: Well, regional government comes under regional development. It is supposed to.

Mr. Chairman: It is part of it.

Mr. Sargent: Do you want to take this chair while I take that chair? Which chair do you want? Now just hold on and run that chair, and I will run this chair, okay?

This man has spent untold millions of dollars in regional government that we will never know about. He has taken the control of taxation away from the people—

Mr. Chairman: The hon. member is not talking about regional development; he is talking about regional government taxation, and I would ask him to get back to the vote which is before us.

Interjections by hon. members.

Mr. Sargent: Well, Mr. Chairman, where do you think I should talk about this?

Mr. Chairman: I would say that you have a problem.

Mr. Sargent: I have. Every time you are in the chair I have a problem.

Mr. Simonett: Tell us about the licence of the hotel up there in Owen Sound.

Mr. Sargent: That would take an hour too. Are you suggesting that I cannot talk about regional government under regional development?

Mr. Chairman: I am stating that the member cannot talk about it.

Mr. Sargent: Where would you suggest I talk about it?

Mr. Chairman: It is up to the member.

Mr. Sargent: Well, Mr. Chairman, we have in this vote on regional development—

Mr. Worton: Is that okay now?

Mr. Sargent: —a sum of \$1,778,000, and last year it was \$1,300,000.

Mr. Makarchuk: If he cannot put a limousine on the ferry, he wants to know what happens to it.

Mr. Sargent: We have an increase in expenditures of half a million dollars this year in this department when we have pretty well established about the province that it is not working.

Interjections by hon. members.

Mr. Sargent: Mr. Chairman, if someone would like to know how they are wasting half a billion dollars we can take McKeough's

cavorting on regional development and regional government for about \$100 million of waste, Davis about \$250 million in education, and MacNaughton with \$130 million for the Spadina Expressway. We have half a billion dollars in those three things.

Mr. MacDonald: Are those figures off the top of his head?

Mr. Sargent: No, they are pretty well the figures my friend gave out.

Interjections by hon. members.

Mr. Sargent: So we have half a billion dollars in those three items. Mr. Chairman, if regional development is ever going to work—as a classic example of how it is working, the city of Toronto could not decide on the Spadina Expressway. I would like to ask the minister then how he can justify the further increase of half a million dollars in this one vote?

Mr. Chairman: Does the hon. minister have any replies at this time?

Hon. Mr. McKeough: The increase is due to an increase in complement from 59 to 67; there were salary revisions, and in the last year in particular and this year there have been large printing costs related to the public presentation of the reports which are now being released.

Mr. Chairman: The member for Peterborough.

Mr. T. P. Reid: Mr. Chairman, I believe I was next on the list.

Interjections by hon. members.

Mr. Pitman: I would like to really follow up a little bit on what the member for York South was dealing with a few moments ago.

It is rather interesting to read the speech which the then Prime Minister (Mr. Robarts) made on the Design for Development some years ago—1966—and it is almost like a before-and-after speech. There was to be slow movement toward some reorganization of regional development, and finally we would emerge on the mountain top and look over the chaos below!

Of course we are in the chaos and certainly one can only say that compared to that speech we certainly have had five years of shambles. I say three cheers for Mr. Clasky. He is dead right. We have been saying this for three years. There is no provincial goal.

I can remember that glorious night about two years ago when the then director of regional development brought out his list of charts and squares and triangles and arrows and we went tortuously through this complement—it was like some kind of a children's game—and finally at the end there was the provincial goal.

I can remember the embarrassment of the Treasurer as he tried to find his way through this morass, this maze, and realizing then of course that it was a terrible joke that had been perpetrated upon him and upon the entire House, we all left in gales of laughter.

But you know, we are no closer to that provincial goal I suppose unless you could say that the Toronto-centred region is the provincial goal. This is what I suspect. Instead of some kind of overall concept, as Mr. Clasky suggests the province was responsible for, that was the responsibility of the province—to provide an overall goal, an overall provincial land use plan, an overall planned urbanization, an overall plan of transportation.

Instead of that we have been putting money, very little money into the various regional councils and asking them to plan their regions without any idea of what the total picture was going to be.

Now of course this is a cruel hoax, a cruel joke upon the local people to ask them to become involved in this kind of input when they have not any idea of what the direction really is.

And of course you have had this very minimal response, this very minimal success of the regional development council because essentially the provincial government never gave those councils a chance, never gave them the money to hire planners, never gave them the money to set up adequate offices, to carry out the kind of research at the local level which really could have been helpful. But most of all they never gave them the parameters of the overall plan the province was heading toward.

Now we have reached, you might say, the ultimate in disaster as all the regional councils are waiting to find out where we go with the Toronto-centred region plan. They do not know where or how their plans fit into this one.

Of course, what we have is a 24-page plan and every planning group and every organization in Ontario, I think, has put in briefs indicating the obvious holes and inexactitudes of that particular plan and, of course, we on this side have pointed out that

it is simply wrongly-headed in very many areas.

But because the government—as the minister put it so charitably—is a little behind in its Toronto-centred region plan, then the entire province virtually is hung up on regional planning, regional government and indeed, in ever getting closer to this overall land use plan for the Province of Ontario.

What can the regional councils do? One assumes that we are going ahead with a planned economic region—we are moving from phase 1 to phase 2 to phase 3 and I must say I was pleased to note from those who are in the regional planning branch that the various economic regions are going on with their plans and presumably these plans will not simply be distorted or redirected simply because of the existence of the Toronto-centred region plan.

And presumably then we will have a series of plans and of course with considerable inconsistencies, both in relation to each other, and in relation to the Toronto-centred region plan.

One cannot help wondering and one cannot help questioning where do we go from here? What is the purpose of all this activity? What is the purpose of all this research if in the end there does not seem to be an overall provincial plan, except as it reaches us from the focus of the Toronto-centred region.

This is backward planning if one could ever imagine it, but nonetheless apparently we are going to plan the Province of Ontario on the basis of the Toronto-centred region—so at least that should be consistent with where we are going in terms of the total province.

And one would hope that the regional development councils will not find themselves totally hung up, because right now they are obsessed with one thing—and with one thing alone—that they can get no help, no encouragement, no information, no advice. Where do they stand in relation to the Toronto-centred region?

Do we all stand and hold our breaths and turn blue until the minister decides what to do with the Toronto-centred region? Or are we going ahead with our plans in some kind of an effective and efficient way so that we can at least know the directions to which we are tending?

If one takes a look at the Lake Ontario development region—I am pleased for my colleague from Thunder Bay; I get some feeling that at least when you get far enough

away from the Toronto-centred region, up in northwestern Ontario, there seems to be some relevance to what you are doing—but I can assure you, from the Lake Ontario development council, they simply are hung up. They do not know. It was their intention, of course, to give at least a degree of industrial development in various areas of that plan.

The Toronto-centred region says a whole area is going to be recreational development. What are they supposed to do? How are they supposed to react? How can they have any feeling that there is going to be any input, any effective input? The minister says that these organizations should be tied in with regional government. There, of course, the minister put his finger on one of the major problems—the lack of any co-ordination between what was going on in the area of regional government and what was going on in the area of economic development, economic planning, or even in terms of community planning in his own department or his former department.

I must say this is one of the hopeful signs. If the minister can stay awake, he will at least accept this. Coming from The Department of Municipal Affairs, I would hope we will get some co-ordination between the community planning branch and this particular branch that we have under his department. I would hope that coming from The Department of Municipal Affairs, he would see that there is actually no point to going ahead any further until there is some co-ordination with the plans of regional government.

You cannot simply have these regional councils away out in the middle of nowhere, trying to make decisions, with virtually no governmental power, no fingers on the sources of power in these areas; at the same time, trying to get their money from municipalities while trying to make some of these plans for some of these municipalities in the region in a way which those municipalities do not particularly appreciate.

You have got an impossible situation for these councils and all I can hope is that we are not going to pour more money into this kind of fiasco without some real decision as to where we are going in the area of regional development.

Mr. T. P. Reid: Thank you, Mr. Chairman. For once I find myself almost in complete agreement with my friends to the left. I think they have, for once—

Mr. MacDonald: For once you are right.

Mr. T. P. Reid: —put their fingers on the problem, along with my colleague from Thunder Bay in particular in this House—

Mr. P. D. Lawlor (Lakeshore): You are maturing as you go along.

Mr. T. P. Reid: —and he and I, of the three parties represented in this Legislature, spent many a long and weary, and sometimes boring hour, if I may put it that way, trying to arrive at, with the people of northwestern Ontario, a development plan for northwestern Ontario.

As a matter of fact, at some of those meetings, our friend already referred to, Mr. Clasky, was himself there and acting as the eminence gris behind the conference along with some other gentlemen from the minister's department. We did spend a great deal of time and we came up with something that had struck us as a logical plan at least for northwestern Ontario. I, too, along with the member for York South, was a little upset to read Mr. Clasky's remarks in the paper, although the minister has attempted to explain them.

I think they are only symptomatic of the problems that have bugged The Department of Municipal Affairs and the Treasury in regard to regional economic development. One of those problems, in the form of Dr. Thoman, of course, is gone but no one is more aware than the minister and Mr. Clasky himself of the clash, the gut in-fighting—which we seldom see even in this chamber—that went on among various branches of even the same department and certainly between The Department of Treasury and the minister's then Department of Municipal Affairs.

Hon. Mr. McKeough: There is no truth to that at all.

Mr. T. P. Reid: There is no truth to that at all?

Mr. V. M. Singer (Downsview): Why did he leave?

Mr. T. P. Reid: I understand they are still cleaning the blood off the floor down there on Yonge Street, and they are going to start on the walls if they ever get all the blood off the floor!

However, it seems to me that one of the members attempted to say that this is a great opportunity for the minister. He has had the two departments—formerly Municipal Affairs,

now Treasury; he has had the two operative departments that surely should be able to come up with some kind of regional development scheme.

Surely this is the opportunity when there is not going to be this clash among departments, among ministers, and there can be some co-ordination that the member for Peterborough spoke about. One wonders, one frets, that the Treasurer has really any commitment toward coming to a solution to these problems. He says, "We are going to have a look at it." He has got the expertise in his department. Mr. Clasky, who is billed one way or the other as one of the most knowledgeable experts in Canada, sits in front of him. I will not say who bills him as that! But there have been some changes made and surely the minister has the opportunity to do something about this.

Mr. Singer: He had lots of opportunities. Five years of it.

Mr. T. P. Reid: If I did not know better, I would say you just said fuddle-duddle under your breath but I will not accuse you of that.

Hon. Mr. McKeough: No, never that.

Mr. T. P. Reid: Actually it was a different word, but we will not go into that. We have a sense of humour on this side, unlike your federal counterparts.

However, I am a little concerned particularly in the minister's answer to the member for Thunder Bay and in this I am as particularly worried as he as to what is going to happen to the regional development plan for northwestern Ontario.

One almost gets the impression that the Design for Development programme is going to be scrapped—not altogether, but what ground rules are we going to have? Now the minister says they are not going to give us a timetable, they are not going to come out with anything concrete.

We hope that this is not more election verbiage because we of all the people across the province of Ontario are most anxious for some kind of guidelines in this respect.

We do not have the kind of expertise or the nearness to Toronto to be able to take advantage of the Toronto-centred region plan or the expertise that resides here. We have to, unfortunately, count on the government—

Mr. Singer: You can have that plan for all the advantages that are available.

Mr. T. P. Reid: Well, that in itself is another problem. I was hoping that the minister could be a little more specific in his answer.

Hon. Mr. McKeough: I want to be very clear. There is no lack of enthusiasm to get on with the job or no dampening of the enthusiasm, it is strictly a matter of time.

The conflicts, in fairness to the staff, and the briefs have been analysed in detail and they are stacked up at the cabinet committee. They are being processed through there as quickly as they can be and will be put together in a package presentation. This is particularly with reference to the TCR; then we will start on the northwestern plan.

Mr. T. P. Reid: Will it be sort of in the shape of a white paper?

Hon. Mr. McKeough: Yes, I would think so. Yes.

Mr. T. P. Reid: I just have one more thing to say in this regard, Mr. Chairman, and it is a reiteration of a point made by one of the former speakers,

Again there is a plethora of programmes, departments and branches of various departments dealing with economic and regional development and regional government of one kind or another.

It seems to me the time has come for a new department—or the same department if you like but with the responsibility for this multitude of problems that are really intimately interconnected—to be set up. Call it if you like a department of urban or municipal affairs, with responsibility for economic development or whatever.

Surely the diffusion of responsibility and studies going on that seem in no way connected should be brought to an end and the government should as pointed out take the lead in this regard, set out some firm and concise roles, bring up these various programmes under one ministry.

Mr. Chairman: The hon. member for York Centre is next on the list.

Mr. Deacon: Mr. Chairman, I was disappointed to read the criticism made by Mr. Clasky with regard to the regional development councils in that it applied to all, knowing the tremendous amount of work that some of them have done.

Certainly, the Central Ontario Regional Development Council tried to develop plans

and to put cases and comments before the government. They worked very hard on that.

Last year they had a series of meetings, when The Department of Municipal Affairs and the minister announced plans for the new regional government in York, in order to provide a forum for the public to discuss the matter. But they got orders from the deputy minister to stop the meetings.

It was indicated that the meetings were too one-sided and yet they had attempted in all cases to get people who held different points of view present at the meeting. They were attempting to provide the public reaction in the public forum by these meetings. But for some reason or other, the deputy minister probably on instructions of the then minister, told them not to do so.

I think it has been very frustrating to conscientious members of a council like this, to be knocked on the head by the government when they were doing what they felt was their job.

Last year they held a conference to discuss the Toronto-centred region plan, which had then just been presented, and the conference attracted a great many people from all over the province.

They did it without provincial government support. For that matter, provincial government representatives, many of whom attended did not even pay the registration fees, at least that is what I heard. They just attended and took the free ride.

The government really was knocking every effort by this group on the head. It is not exactly the type of support and encouragement I would expect any group sponsored by this government, to receive, and then in the end, to be criticized for failing to do the job they were trying to do. This was just about the last straw.

I do not see how the minister can accept any statement that says all these councils failed to do their job and failed to do their work when really the fault was the failure of the government and, as the member for York South has said, was the failure of the government to really define the areas in which they were to operate, give them a much firmer guideline as to their responsibility, and much more definite knowledge of just what the perimeters of their role would be.

I do not know if the minister wishes to make any comment on that before I go further on the matter of the Toronto-centred region plan?

No! Well, at the time the Toronto-centred region plan was presented, I felt that it had one, only one, redeeming feature, and that was that at least the province had indicated it was doing some planning. The failure of the government at that time to give any outline of the type of assistance that it would provide in the way of resources, to implement the plan, to me was a shocking dereliction of duty and responsibility on the part of this government.

As one examines the plan you realize this is one of the greatest frauds ever perpetrated in this province by the minister and his predecessor. They have taken a study that was done years ago, the MTART study, and updated it, supposedly.

They have taken the study and said it was based upon transportation needs the means of being able to move people—when it was really a study based on how they would treat sewage and how it could be best handled. The sad part about the whole programme is that it has resulted in a plan that is going to be a disaster, an absolute disaster. It will create a nightmare, the like of which we shall not have seen anywhere in this continent if it is allowed to proceed. I mention two or three aspects to indicate just why this will be such a disaster.

First of all, the plan intends to have development occur within a band—there will be a continual strip of development close to the lake from east to west restricting development so that it will cause land speculation the likes of which we have never seen before.

I estimate each year the people of Ontario pay an extra \$750 million for the land on which they build their housing because of the practices of this government in restricting land for housing development.

And the fact that instead of opening up the centres on which development can occur—I did not hear the remark of the Minister of Energy and Resources Management (Mr. Kerr)—

Interjection by an hon. member.

Mr. Singer: Borrow some from Cleveland.

Mr. Deacon: I still did not hear that wisdom which the Minister of Energy and Resources Management—there was something about sewers—but this whole plan ought to be sent down the sewer. It would certainly plug up some sewage plants that we have around in this province—what we have got here.

The fact is we should in our planning follow the type of development the York County planning board last year put forward—a radial plan because then we would develop or we should have our new development centre on existing communities. Then we would have a core where the quality of life can be improved—not have people just build and live in these large urban sprawls for many miles bordering on Lake Ontario.

Another unfortunate aspect the plan envisages is having our recreational land to the north of this very heavily developed band along the lake, the idea being that people will have lots of green belts. But the green belt will not be close to where they live, they will have to drive miles to it, again increasing the amount of traffic on our highways and causing a much higher cost of living as well as reducing greatly the quality of life.

It is a plan that is based upon building sewage plants to further pollute our lakes instead of dealing with our sewage in some other way. But one of the most ridiculous parts to me about this plan is that it has some idea that a parkway belt is a wonderful boundary that the development of that parkway belt will limit the growth of Metro.

Where in the North American continent have we seen a parkway, a transportation corridor, that has not attracted development on all sides of it, rather than been a boundary to prevent further development beyond it? Parkways and transportation corridors are natural magnets to other developments, and I think the whole concept that the province has brought forward here is based on completely wrong planning concepts. And the whole basis of this thinking is because primarily the province has failed to develop a new approach to dealing with supply of water and the treatment of sewage more than any other factor. Because they cannot see having effluent going into our creeks, they feel this is the only way to deal with effluent: they have gone on the idea that the effluent should all pour into Lake Ontario and increase the problem for people who live on the lake and for the people who are on the St. Lawrence River below that lake.

Mr. D. A. Paterson (Essex South): The dilution of pollution was their solution.

Mr. Deacon: Yes, the dilution of pollution was their solution; that is a very good way of planning it. Instead of looking at some of the excellent work that has been done in recent years in new approaches to the treatment of

sewage, so that in effect we recycle and utilize the phosphates and nitrates in our sewage and increase our agricultural production and make valuable use of these instead of polluting our lakes. We want to have greener fields instead of greener algae in our lakes and rivers.

I think it is time that the province recognizes that it is basing a huge plan, such an important plan as the Toronto-centred region plan, on a completely wrong concept. It is basically one of concentrating development in a narrow band near the lake, and is going to bring with it so many bad side effects that we are going to have a nightmare that will haunt the people of this province for generations to come.

It is time the chaos being created by this plan was straightened away. This minister has an opportunity to quickly announce that the plan is being tossed out and they are going to start again on a completely different concept. This whole idea of trying to have the development of the key part of this province based upon such a completely erroneous and very costly approach, one that fails to take into account some of the basic things to make the quality of life in this province much better, is a tragedy.

I hope the minister will take into account the fact that we can direct development into centres well away from this Toronto area into communities where the quality of life will be much higher. We can put in water and sewage, trunk services, trunk mains and plants at a cost of around \$700 per unit. If we had to put in 100,000 residential units a year that would work out to around \$70 million. Now \$70 million is not a very large amount of money when you think of the extra three-quarters of a billion or \$700 million that the taxpayers of this province are now paying for their land because of the manner in which the government is carrying out its planning stage. It is a basic concept of supply and demand which this so-called free enterprise now needs. But it is really more truly socialism that this Tory party has been perpetrating in this province.

Interjections by hon. members.

Mr. Deacon: That is what is really costing the people of this province so much money. If they would recognize the job of government is to supply services and not get into a matter of buying \$20 million of land and competing with speculators to acquire land, they should instead of that be putting that money into providing the services. This is the job of government. It is a shocking thing to

me that the people of this province have had to put up with this approach for so long.

Is it not time that the people here, especially the Tory party, recognize that their job is not getting into business in competition with private business that can do it far better? They should be making certain that the developers and others who can provide good housing at low cost have the services for development to such an extent that competition, true competition comes into the field of providing housing and good areas for good development for the people of this province.

Mr. Stokes: You believe in socialism for the rich.

Mr. H. L. Rowntree (York West): And also supply the northern parks.

Mr. Deacon: And also supply the—pardon? I did not get the question of the member for York West.

Mr. Rowntree: On your argument, let them also supply the northern parks.

Mr. Deacon: I do not quite get the relationship at this point.

Mr. Rowntree: It is directly related to what you were talking about.

Mr. Lawlor: It is pretty hard to get through tonight.

Mr. Deacon: Mr. Chairman, this government should be providing services and assistance to ensure that we do have a solution to our critical housing problems in this province, that our people do have the opportunity to live in communities where the quality of life can be improved.

Those three things are: first, the provision of basic water and sewage services, which we can do well within our \$70 million a year, and have a revenue that would amortize that almost entirely at rates that would be easy for people to handle. That \$70 million could be borrowed by means of revenue-type securities that would amortize themselves out of the prices that they would be selling the water and sewage services for.

The second thing they should be providing is transportation access to more distant points so that we greatly expand the opportunity for development well beyond this city, so that 60, 70 or 100 miles away people could be ready who want to be close to and part of the Toronto-centred region, and also of course encourage development in other parts of the province by transportation assistance

so that not so many people are attracted to this area and therefore are not adding to the problems of congestion that are currently caused by so many moving down into this section.

The last thing is the financial aid to municipalities that is required for them to be able to accept residential development. Any who have served on municipal councils know that they hesitate to accept low cost housing; they tend to favour high assessment housing in order to be able to afford the services that are needed by people who move into their community. This is not fair. It does not give people a proper choice.

We should provide a system of financial aid based upon perhaps the mine revenue legislation so that new housing, which is particularly low cost housing, has assistance given to the municipality to cover its deficiency in revenue over the early period of those developments. I again repeat, Mr. Chairman, that the whole Toronto-centred region plan is a fraud, it is a nightmare. It is one that I trust the minister will soon announce has been discarded. Otherwise the people of this province will face problems in the future that they may not be able to cope with.

Mr. Chairman: Does the hon. minister wish to reply at this time? Then the hon. member for Thunder Bay.

Mr. Stokes: Mr. Chairman, I would like to make a few brief points on two matters that I neglected to mention earlier. That was the reference made by my colleague from York South in reference to an article by the director of the regional development branch. I would like to exclude the Northwestern Ontario Development Council from those remarks. It would not be appropriate to put them in the same group and indicate that they were as inefficient as some of the other regional development councils.

Mr. MacDonald: I would agree.

Mr. Stokes: I think that if anybody is aware of the people in the northwest, Mr. Phillips, Elmer Pine, indeed all of the participating municipalities, I think that it goes without saying that they do have a sense of direction. They had a great deal to do with formulation of this phase 2 Design for Development.

It was mostly on their initiative that it got under way and they have made quite sure of a feedback and some indication of where they thought they wanted to go. I think that they have thrown the ball into the court of

this department and now the next move is up to the government for the implementation of this. I think they have done everything that is possible for a regional development council to do. They have led all the way and I think they are to be commended for it.

One other matter I neglected to mention and that is one of the recommendations contained in the Toronto-centred region Design for Development, something that disturbs the people from the northwest, in particular the people from that development council of which I spoke so highly a little earlier.

I am quoting from memory, but it says that because of the strategic location of the Toronto-centred region in, I think, it was, the Chicago-Toronto megalopolis, it is ideally situated for the processing of raw material, raw resources, that come from northern Ontario for processing and for furtherance to other larger markets on the North American continent, and in particular, in the United States.

Companion to that remark, it showed radials going out from the Toronto-centred region; some 13 or 14 of them. All but three of them went down into the United States. One of them went to Sudbury. One of them went to Sault Ste. Marie. The other one went to the Ottawa region.

There was no mention made of northwestern Ontario and this did disturb the people up there. I am wondering will the minister make a statement or allay the fears of the people from all of northern Ontario that indeed such will not be the case—that you are going to base the viability and the future growth and development of the Toronto-centred region by a greater processing of raw materials that presently come from northern Ontario. I think it is hypocritical of us to be saying we have got great plans and great designs for the north while we are saying there is great potential for the Toronto-centred region by processing the ores and the raw materials that presently come from northern Ontario and exploiting the people who are living in northern Ontario at the present time. I wonder if the minister would care to comment on that?

Hon. Mr. McKeough: Just briefly. I agree most enthusiastically with the hon. member's remarks about the Northwestern Ontario Regional Development Council. Those are well taken.

With regard to the second point, I think the wording or perhaps the phrasing of the

TCR in that regard was somewhat confusing, perhaps a little bit unfortunate the way it came out. I think the point that it was trying to make was that Ontario's strategic location in what, in my geography 20 classes at Western, Dr. E. G. Pleva used to call the grand trunk, and still does call it the grand trunk—the Quebec-Montreal-Toronto-Detroit-Chicago access—that because of our location in the industrial heartland, really of North America that more of our materials and our resources should, in fact, be processed in Ontario. Not necessarily within the Canadian portion of that access, but within Ontario. If they can be processed in northern Ontario all well and good. But the point, I think, which was not very well phrased, was that they should be processed in Ontario rather than elsewhere. Hopefully, if they can be, if it is feasible and practical to process some, or part, or all of them in northern Ontario, so much the better.

Mr. Stokes: The minister did not answer one of the other aspects of my remarks and that is, about the radials that reach out. Obviously, they did not consider northwestern Ontario when they were talking about processing of raw materials coming from the north and some sense of community or identity between the Toronto-centred region and northwestern Ontario. Even if they had drawn another radial and said we will give you the rationale for it a little later on, it would have been palatable to the people of the north. But with the two things it seemed to be quite deliberate, and we are very concerned about it.

Hon. Mr. McKeough: Those radials were schematic. I do not think they should be taken as gospel. They were to show the relationship of Toronto, of the Toronto-centred region, to these major markets of the North American industrial economy in the Great Lakes basin. Certainly, again, the emphasis of the northwestern report, of governmental policy as a whole must be to integrate both ways, as a two-way street, northern Ontario to a greater degree than it is now. In some ways, those lines were perhaps reflecting the channels of trade now. Hopefully, those channels will not change, but they will be as wide and as dark running north as they are running south.

Mr. Chairman: The hon. member for Downsview.

Mr. Singer: Mr. Chairman, I thought I would say a word or two about the Toronto-

centred region plan and remark, particularly, that I wish I could share the optimism that the hon. member for Peterborough expressed a little earlier in the evening, that this minister having graduated, as it were, from Municipal Affairs to Treasury, and having the background of both departments, could be expected, perhaps, to understand what regional government is and what regional planning is. But I cannot share that optimism because I watched this minister chew to pieces the whole idea of effective and meaningful regional government.

The best example was the one being given by my colleague from York Centre—he is downstairs now—just a few moments ago, when he talked about the new York regional government. Then, when one watches this minister try to wrestle, as do his colleagues in government, with the imposition of the Toronto-centred region plan, on the so-called regional government, one wonders, really, if they had anything in mind, other than letting the former Premier (Mr. Robarts) make a few speeches, producing a few new coloured dots on maps, along with schematic drawings, which, by and large, have proved to be almost completely meaningless.

One has to wonder, as one tries to discover what that so-called greenbelt swath to the north and in a semi-circle around Metropolitan Toronto, as shown on those maps, really means. Does it mean anything? Does it mean anything at all? What is the government going to do with a so-called development like Century City? A solicitor who is well known to the minister said pretty loudly a little while ago that he had the undertaking from five cabinet ministers that that was going to go ahead. And while he was shocked at the production of the Toronto-centred region plan, he did not really give up hope. He knows that the word that comes from the last ministerial pronouncement is not necessarily the final one, and he is still hoping that he is going to be able to get ahead with the project that his clients have called Century City. That is the one in the east, and there is another one in the west.

A year ago, we were trying to find out from the minister and from the Treasurer of the day exactly what was going on, and we were told, "Well, in due course you are going to be told." Well, more months have gone by and we still do not know and we still are not told.

One new addition to the Conservative Party in the past few weeks is the new

candidate for the riding of St. David, who has expressed herself very loudly about the Toronto-centred region plan. I do not think the government is going to have her very long if it goes ahead and allows developments like Century City or some of the others.

I think the least that could be done by the Treasurer, who I am sure has the concern of the future welfare of his party at heart, is to clear the situation up so that the new candidate in St. David can approach the campaign with a clear understanding of what this government stands for.

I think it is very important not only that they tell their own candidates, but that they tell the people of the Province of Ontario what they mean with their Toronto-centred region plan. Do they mean there is going to be this great green-belt swath in the semi-circle around the northern, eastern and western boundaries of Metropolitan Toronto? Is that there to stay or is it not? And if it is there to stay, how then do they call a halt to their developer friends who have the Century City and other developments? And if they are going to do it, why do they not do it in no uncertain terms?

The minister has seen, with me, the interviews with the various landowners out there who have entered into a variety of agreements with these developers who are now standing aside and waiting for the words of wisdom to come tumbling from the minister's mouth so that they will know whether or not their mortgages are ever going to be paid off.

The developers say, "Well, we entered into these agreements with you in good faith. We were relying on the word and the bond of the government and then the government superimposed the Toronto-centred district plan with a great green-belt swath on it. Until the government makes up its mind whether or not it means it, we really cannot tell you."

I do not know how many people are being affected, but I would think there are several hundred people, ordinary people, the kind of people the Premier talks about—you know, the people he prefers to automobiles. These are the kind of people who are being affected by the government's apparent lack of faith. Does he mean what he says or does he not mean what he says? Is he going to have his green-belt corridor or is he not going to have his green-belt corridor? Is Century City going to go ahead or is it not going to go ahead?

What is he going to do about York municipality? Remember the minister entering into competition with MGM and appearing in a darkened hall with floodlights playing on him as he walked to the easel in a high school in north Bayview Avenue and presented this great York municipality plaque.

A few days earlier he did the same thing down here in the O'Keefe where he, accompanied by a couple of his cabinet colleagues, again with the subdued lights and the spotlights playing on them, presented the Toronto-centred region plan. A new day in showmanship, at least, had arrived in the Province of Ontario.

We had all of these plans, full of diagrams, full of colours, full of radiating lines, all of which apparently mean no more than the government's signature on an agreement to build the Spadina Expressway. One gets to the point, Mr. Chairman, where one does not know what word of government to trust at what time, or even which word of which minister to believe or even, while talking to the same minister as he moves from one department to the next one, whether or not he has any idea what he is talking about.

An hon. member: Hear, hear.

Mr. Singer: One wonders why he cannot pay some attention to the very apt words put forward by my colleague from York Centre who says that there is no great trick—and they have been saying this for many, many years—there is no great trick in organizing ordered development in the Province of Ontario provided you understand there has to be water and sewage service and if we are going to spend government money, what better use could we put it to than in regions right for development; to spend government money to provide this kind of service so that, in fact, we can encourage development?

That is the sort of sense, Mr. Chairman, that could, and should be made out of plans for development in Toronto-centred region plans and so forth. What have we got? We have a two-year hiatus, as the minister dreams up his next masterful production.

Perhaps the spotlights will have a different colour and perhaps the new plan will have different schematic angles flowing from them and perhaps there will be bigger or better coloured polka-dots on these various plans. But will they be anything more meaningful?

Is anybody able to tell yet, either from the Toronto-centred region plan, or from this statute that was rammed through this Legis-

lature dealing with the York municipality, just where the southerly boundary of York municipality is going to be?

Has anybody yet been able to tell the York municipality whether or not it is going to have access to the developed area just north of Steeles Avenue or, whether in fact, that is going to the Metropolitan Toronto area?

Has anybody yet been able to work out a scheme whereby, if what the minister said a year ago, was going to come about, a scheme whereby the 50 square miles of land that apparently were going to be added to Metropolitan Toronto to the north, and to the south of the new projected highway 407, if that in fact is going to happen? How it is going to be developed and who is going to benefit from the assessment?

Mr. Chairman, I cannot share the enthusiasm, or even the remote hope expressed by the hon. member for Peterborough, when he suggested that this minister having moved from Municipal Affairs to Treasury, we now would see some order come out of the chaos.

I think until this minister removes himself completely from the scene and we get someone who has some understanding of what goes on, who is prepared to go ahead with some kind of reasonable plan that relates to things like water supply, and sewage disposal, things like adequate and planned and thought out transportation systems, we are not going to get any further ahead.

We will have more productions, Mr. Chairman. We will have more coloured maps, but we are not going to be able to satisfy either the people of Ontario or even the new Tory candidate from the riding of St. David.

Mr. MacDonald: Mr. Chairman, before the minister removes himself from the scene, I have a question—

Mr. J. R. Breithaupt (Kitchener): In tears.

Mr. MacDonald: —to ask him. In tears or otherwise. What is going to happen to Century City? And why is the government stalling?

Mr. Singer: Well, elections, the member knows.

Mr. MacDonald: Just let me elaborate a bit if I might. When the Toronto-centred plan was announced I have a distinct recollection of the then Prime Minister saying

very firmly that the basic principles of the plan were not going to be violated.

Interjection by an hon. member.

Mr. MacDonald: Was it you? Okay, all the better. I am dealing with you rather than the former Prime Minister—that while the government was inviting representations from the various municipalities and that in effect whatever those representations led to by way of minor changes in the plan, it was not going to alter the basic approach of the plan and that applied immediately.

Okay, what are we waiting for in Century City, because Century City is completely in conflict with the Toronto-centred plan? The objective of the Toronto-centred plan was for 300,000 people in zone 2. There are now 160,000 people in zone 2. By the natural increase in population it will be up to the limit fixed by government by the year 2000. If Century City is going to plump down—

Hon. Mr. McKeough: It is faster than that actually.

Mr. MacDonald: Well my guess—you are right. If Century City is going to be setting down new cities of 40,000 or 50,000, then your original plan, which you asserted was not going to be violated, is going to go out the window. So I ask the minister a simple, forthright question. What is going to happen with Century City and why do you stall it?

Hon. Mr. McKeough: I think I mentioned that there are some, what we call, conflicts with the Toronto-centred plan, some 28 of them which represented major departures from the original plan either by way of objections to what we had proposed or by way of modification, by way perhaps of differences between government departments.

Each one of these conflicts is in the process of being sorted out by the cabinet committee and when that is done we will know the fate of Century City.

Mr. Singer: It will not be now. It certainly will not be before the election.

Hon. Mr. McKeough: Some of the modifications or changes which have been suggested are in complete contradiction to the original plan. I can think of one or two of them which make the plan much better. Simply because it was in complete contradiction to the plan does not mean that it is necessarily going to be rejected out of hand.

In the case of Century City, I think it has achieved some prominence because there have been rather loud, and rightly so, lobbies, petitions, on both sides—both for it and against it. It does, as you say, violate the original concept of the Toronto-centred plan and whether or not it can be accommodated I am not prepared to say at this moment.

Of course, I think the other thing that has to be remembered is that it was never an approved official plan of the township. It has never been approved by the Minister of Municipal Affairs. There has never been, to my knowledge, any approval given by the Ontario Water Resources Commission, even if the plan had been approved by The Department of Municipal Affairs.

Mr. MacDonald: All the more reason why the minister a long time ago should cancel Century City out. I come back, what are you stalling for?

Hon. Mr. McKeough: I would expect that we would be giving an answer on that, in combination with a few other things. In fairness to it, if we make a modification, for example, on the west side of Toronto, which substantially reduces population—I am not saying this is happening—we might want then to develop ways to increase the population somewhere else for a variant. I think we are keeping some of the options open. You will have your answer soon.

Mr. MacDonald: What does that mean? Weeks, months?

Mr. I. Deans (Wentworth): After the election.

Mr. Makarchuk: Mr. Chairman, when the minister was Minister of Municipal Affairs, I asked him when he was going to initiate a study of Brant county for a regional study in that area. He said he was waiting until the money would be available. Now that he is Treasurer and in control of the purse-strings, I am wondering if he has changed his mind or has made funds available or intends to make funds available to initiate some kind of study?

This matter has been raised with the current Minister of Municipal Affairs (Mr. Bales) and it was pointed out to him that perhaps it could be integrated with the Haldimand-Norfolk study that is going on in that area right now. Of course, I imagine the minister is aware of the development that is going on to the south of Brantford? Land assembly schemes are developing or

being organized in the Brantford area and it is probably a very appropriate time now to start taking some action. I wonder if the minister could give me some indication at this moment what the plans are in that area?

Hon. Mr. McKeough: I am afraid you would have to ask the Minister of Municipal Affairs. To my knowledge, there was money placed in the estimates of The Department of Municipal Affairs for such studies as Brant, but I cannot tell you what his priorities are—whether he proposes to use those funds at all around Brant or in some other part of the province. I can only tell you, in terms of the suggestion that there be an integration between the Haldimand-Norfolk study and the proposed Brant study, both of which would not be done by my department but by Municipal Affairs, that I doubt whether that idea would be enthusiastically received in Haldimand-Norfolk.

Mr. Makarchuk: I quite agree with that, Mr. Chairman. There is a feeling in the Haldimand-Norfolk area of being inundated by the Brantford area because of the population difference.

Hon. Mr. McKeough: They do not love them, that is for sure.

Mr. Makarchuk: I do not deny that this may be a legitimate concern on their part, but at the same time I wish that the two ministers, or your people, would carry on discussions together sometimes, I hope, or you talk together and sort these things out?

Hon. Mr. McKeough: Both those things come under The Department of Municipal Affairs.

Mr. Makarchuk: Well, the Minister of Municipal Affairs does not know anything. I asked him and he says he does not have the money. This was only last week. I wish the two ministers would get together and decide what the heck is going on, because the people up there are trying to find out what is happening. There is development going on, and again we are going to get ourselves in the same kind of trap where industry is springing out, urban pressure is coming in and there is need for some co-ordinated transportation. There are new expressways going in, and there is a request for reactivating a rail line, and nobody seems to know what is happening. Surely if we are going to have a department of regional development and if it merits the title then perhaps this gov-

ernment will start looking into some of these things.

Mr. Deans: Mr. Chairman, I want to say to the minister that ever since I came into this House I have always been confused by the confusion in government. I have felt, for a while that we have got things so split up that it is practically impossible for any department to do a reasonable job.

Mr. Sargent: What is it going to be like if they ever get in?

Mr. Deans: Well, it gives me some work to do during the early part!

I think when we take a look at regional development, we cannot divorce it from regional government, from planning or from the Ontario Housing operations or The Department of Trade and Development. We are in a very strange situation, where one department purports to make the decisions in regard to what is best in an economic way for the province without actually taking into consideration what is happening within the other departments.

I am not saying they do not speak to each other, but I think it is impossible to set up reasonable and logical regional government units, it is impossible to do any reasonable planning in regard to housing, it is virtually impossible to do any kind of industrial planning unless you put all of these departments together.

I have often wondered why the government does not take all of its planning functions and put them within one department. Why do we not have the initial studies into regional government as an integrated part of regional development? Why, when we plan to develop major housing projects, is this not done in conjunction with the overall planning of regional development? Why, when we are looking at the use of the shoreline, is this not looked at within the overall planning function of regional development? Why, when we decide to either cut off or expand metropolitan areas, is this not done within regional development rather than within the planning of The Department of Municipal Affairs?

The whole function of that section of the department that deals with regional development seems to operate like two left shoes, if I can put it that way. There does not seem to be any overall planning concept or overall planning function, and we are going to end up with The Department of Municipal Affairs making decisions on the one hand and The

Department of Trade and Development making decisions on the other hand about different things, each of which affects to a great extent the regional development of the Province of Ontario.

I would like to ask the minister where he has given consideration to placing before his cabinet colleagues the prospect of either establishing a ministry to deal with these things or at least bringing all of those functions under one minister so that when the minister stands up to speak about the Province of Ontario and the economic development of the Province of Ontario, he can talk about it in an overall way.

He can talk about the kind of expansion we are going to have in metropolitan areas because he is responsible for it. Not only is he responsible for the expansion itself but he is responsible for all of the components that go into it, and he can make decisions on whether housing projects are gone ahead with or whether they are scrapped. He can make decisions on whether we are going to build along the shoreline or build 15 miles back or whether we are going to build in northern Ontario or southern Ontario. He can decide whether regional government is going to be operative or not because he has all of the component parts within his jurisdiction.

I would like to ask the minister, if he can stop laughing for a moment, whether he might be able to explain to me why there is such a split where obviously all of these functions should fit well together.

Hon. Mr. McKeough: I think it is completely impractical to put all the functions which the member has described into one department. It would encompass a great deal of the government and would be completely unmanageable. I think it is unrealistic to divorce the planning functions from the programme activities of a number of the departments which the member has mentioned. I think an integral part of any department, any programme, is the planning function.

The great problem of government has been, and continues to be, and will be for some time, to bring these things together into a government-wide programme. This is accomplished by bringing a number of departments together in task forces, in what are known as liaison committees which, in turn, report to the advisory committee, consisting of some nine government departments, the deputy minister level, chaired by the Deputy Minister of Treasury and Economics, and of which

the regional development branch is the secretariat to the advisory committee.

The advisory committee, in turn, reports to a cabinet committee which, in turn, reports to the whole cabinet. Now the cabinet committee—and perhaps I might say a word about this—has been reorganized within the last month or so. Whereas formerly there was a cabinet committee on policy development which dealt with a number of areas, there is now specifically a cabinet committee on economic and regional development composed of the four or five ministers most directly connected with this whole problem—the problems mentioned by the member for Wentworth—who are meeting weekly to resolve just exactly the sort of problems which you have mentioned.

The departments represented include Treasury, Municipal Affairs, Trade and Development—which includes ODC and OHC—Energy, which includes both Hydro and OWRC and the department itself, Transportation and Communications and Mines and Northern Affairs, so that those departments are meeting regularly, or the ministers of those departments with support staff are meeting regularly.

Mr. Deans: Well, let us for a moment take The Department of Trade and Development. Before The Department of Trade and Development makes a decision to grant an EIO loan or any kind of a loan to a company to locate, is this sent to the department of regional development prior to this happening?

Hon. Mr. McKeough: Yes.

Mr. Deans: Do you approve this before it is finally granted?

Hon. Mr. McKeough: We comment.

Mr. Deans: You comment? When you say you comment, do you comment on the appropriateness of this company?

Hon. Mr. McKeough: Well, pungently.

Mr. Deans: Pungently, I see. Okay.

Hon. Mr. McKeough: To make sure that it is compatible with the regional development plan. If it is not we would comment rather strongly, and those things then have a way of coming to an end, not always but—

Mr. Deans: Well, what regional development plan do we actually have that it has to be compatible with before you agree to it,

and what regional development plan has actually been adopted by the government that requires an approval before anything can be done?

Hon. Mr. McKeough: A good point—none as yet, except TCR is accepted as the conceptual plan. And what we are looking at, the things which would now come to the advisory committee or the cabinet committee, are things which would come to see if they are compatible with the conceptual plan, for example, for northwestern Ontario.

For example, in the northwestern Ontario plan one of the 59 recommendations is—and I assume this will also be true in the northeastern plan without even seeing the northeastern plan—that we should avoid new townsites at all costs and try and use existing townsites.

So if the Minister of Municipal Affairs and the Minister of Mines and Northern Affairs (Mr. Bernier) came waltzing in with a new townsite, we would check it against that conceptual statement of government policy, or statement of conceptual policy—well, perhaps, no—I had better not put it that way.

Mr. Deans: How soon does the minister feel that we will be able to have something in black and white that we might be able to look at to determine what the economic plans—I am talking about economics for a moment rather than any other—of the province are? How soon will we have some clear indication from the government of what it proposes to do; which areas it actually proposes to encourage for development purposes; which areas we would hope to see encouraged for recreational purposes as opposed to industrial, so that the people in the area have an idea of what to expect for the future?

Hon. Mr. McKeough: I think the member is aware that we embarked on a route, rightly or wrongly, some years ago of instead of preparing a provincial plan, preparing 10 provincial plans—

Mr. Deans: Yes, but they all become one.

Hon. Mr. McKeough: —which fitted together will form the provincial plan.

I am guessing 1½ to two years before we have that sort of clear statement of an overall provincial plan and I think there will be a great deal of refining to do after that. We are behind. I make no apologies about that.

What we have run into in the Toronto-centred plan alone has set us back, I suppose, a good six months.

Mr. Deans: Does the minister feel then that it makes sense to continue to step up regional governmental units while this study is going on? Does he not feel that there is a certain dependency on the final decision in regard to regional development and that, in actual fact, to set up units of administration before one determines where the growth centres are going to be does not make a lot of sense?

Hon. Mr. McKeough: Yes, we have to. I think it is necessary. With the regional governments which have been set up or proposed, we are not in violation of any plans which will follow later.

Mr. Chairman: Item 5 carried? Carried.

Vote 2402 agreed to.

Mr. Chairman: In order to comply with the 10:30 closing, we should now have a motion to rise and report.

Hon. Mr. Winkler moves that the committee rise and report.

Motion agreed to.

Mr. Chairman: For the benefit of the committee, I might point out too that that completed vote 2402 and that there are now 25 hours and 25 minutes remaining for consideration of the estimates, which includes the concurrence time of 25 hours.

The House resumed; Mr. Speaker in the chair.

Mr. Speaker: The committee of supply reports that it has come to certain resolutions and asks for leave to sit again.

Report agreed to.

Hon. A. A. Wishart (Minister of Financial and Commercial Affairs): Mr. Speaker, before moving that the House adjourn, I would intimate that we will continue with the estimates of The Department of Treasury tomorrow. If they are concluded I would hope to go to the order paper for some second readings, particularly the bills introduced by the Provincial Secretary (Mr. Yaremko) and the University of Toronto bill, and possibly we may have time for others.

Mr. D. C. MacDonald (York South): When the House leader says "complete the Treasury," does he mean the whole of the Treasury Board and Civil Service and Provincial Auditor?

Hon. Mr. Wishart: That is right.

Hon. W. D. McKeough (Treasurer): Once I get wound up—

Mr. I. Deans (Wentworth): Could the House leader indicate what is wrong with

order number 5 that it sits on the order paper for so long?

Hon. Mr. Wishart: We are just not ready to call it for third reading yet.

Hon. Mr. Wishart moves the adjournment of the House.

Motion agreed to.

The House adjourned at 10:30 o'clock, p.m.

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ONTARIO

Legislature of Ontario Debates

OFFICIAL REPORT — DAILY EDITION

Fourth Session of the Twenty-Eighth Legislature

Tuesday, June 29, 1971

Afternoon Session

Speaker: Honourable Fred McIntosh Cass, Q.C.

Clerk: Roderick Lewis, Q.C.

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House of Commons—June 22, 1954

Tuesday, June 22, 1954

At 10.15 a.m.

Prayer, Hymn, Reading of Scripture, Prayers,
and the Lord's Prayer

LEGISLATIVE ASSEMBLY OF ONTARIO

TUESDAY, JUNE 29, 1971

The House met at 2 o'clock, p.m.

Prayers.

Mr. Speaker: This afternoon in the east gallery we have students from Vincent Massey Public School in Oshawa.

Statements by the ministry.

Hon. R. Welch (Minister of Education): Mr. Speaker, I wish to announce to the House this afternoon the appointment of the Committee to Study the Costs of Education in the Elementary and Secondary Schools of Ontario, and the terms of reference under which the committee will carry out its assignment.

The objectives are to provide for a full review of the costs of education in relation to the aims, objectives, programmes and priorities of the educational system, and to evaluate the programmes in the light of the experience with them and the requirements of the present day. More specifically, the purposes are:

1. To study the use of the financial resources being provided for elementary and secondary education in Ontario in the attainment of the educational goals;

2. To examine the present grant plan to determine if the various differentiating factors such as course, level—that is elementary and secondary—and type—ordinary and extraordinary—generate funds in proper balance consistent with the needs for the attainment of desirable educational objectives;

3. To examine the implications of ceilings on expenditures by local school boards, including the effect on the decision-making and autonomy of local school boards;

4. To examine the various aspects of school programmes with particular reference to innovations and new concepts, as, for example, the open plan organization, technical and commercial programmes, and use of educational technology, with a view to designing and recommending research studies to determine the effectiveness of these concepts in relation to the aims and objectives of education, these studies to be conducted by contract arrangements with research agencies;

5. To communicate and consult with groups and organizations representative of parents, teachers, trustees, students, and other interested parties;

6. After due study and consideration, to make recommendations and to submit a report or reports to the government with respect to the matters inquired into under the terms set out.

It will be seen, Mr. Speaker, that the committee will be able to go into all aspects of the financing of education and to enable emphasis to be placed on the quality of education and its accountability to the public it serves.

The chairman of the committee will be Mr. Thomas A. McEwan. Mr. McEwan is a graduate in commerce from Queen's University, Kingston, and is president of Benton, Dickinson and Company, Canada, Limited, Clarkson. He has been most active in community service and in particular, in the field of education. Mr. McEwan is a former president of the Ontario Society for Crippled Children. He was the founding chairman of the board of governors, University of Guelph, and in recognition of his service to that institution was named a fellow, University of Guelph, in 1969. Mr. McEwan's interest and wealth of experience in educational endeavours will be most helpful in the work of the committee.

Other members of the committee, Mr. Speaker, are as follows:

Mrs. Hazel Farr, a specialist in primary education at Elgin Avenue Public School, Simcoe;

Paul E. Arsenault, senior partner of Arsenault, Desmarais and Company, chartered accountants, and chairman of the finance committee, Laurentian University, Sudbury;

Mr. Lawrence M. Kerr, of Chatham, a prominent Kent county farmer;

Dr. William G. Phillips, educator and economist, Dean of the Faculty of Arts and Science, University of Windsor;

John C. Ronson, a specialist in management development and organization planning at the Steel Company of Canada and past

chairman of the board of governors, Sheridan College;

Douglas C. Trowell, president of Shore-acres Broadcasting and general manager of radio station CKEY, Toronto.

Mr. M. Makarchuk (Brantford): That is a pretty representative group the minister has there.

Mr. C. G. Pilkey (Oshawa): That is for sure. Right! The minister is going to the other end of the spectrum there.

Hon. Mr. Welch: As previously announced, Dr. J. R. McCarthy will act in a full-time capacity as executive director of the committee.

Mr. Speaker: Oral questions.

COMMITTEE TO STUDY THE COSTS OF EDUCATION IN ONTARIO

Mr. R. F. Nixon (Leader of the Opposition): Mr. Speaker, I would like to ask the Minister of Education if he is placing a time limit on the deliberations of this committee now that three months have elapsed since he first announced it?

Hon. Mr. Welch: Mr. Speaker, naturally—

Mr. D. C. MacDonald (York South): Post election.

Hon. Mr. Welch: —I want the committee to take the time that is required to go into this matter in some detail. I would be hopeful that their report would be ready in about 18 months.

Mr. R. F. Ruston (Essex-Kent): The minister says 18 months.

Hon. Mr. Welch: I am also very anxious that the committee might address itself—

Mr. Nixon: The horse has been stolen.

Hon. Mr. Welch: We will go through that no doubt in our estimates consideration.

Mr. Nixon: The government goes around looking at the barn door and waits three months before trying to close it.

Hon. Mr. Welch: The member knows very well that is not the case. I draw attention to item No. 3 in the terms of reference; that is the examination of the implication on ceilings. It would be my intention to ask the committee to address itself to that particular matter as soon as it can because I

would like a preliminary report on that, particularly as it might have reference to the 1972 ceilings.

Mr. S. Lewis (Scarborough West): Right. About a year ago.

Mr. Nixon: A supplementary, Mr. Speaker: I wonder if I could ask the minister what his former deputy has been doing since he was replaced on May 1, or was it June 1, and his appointment today?

Hon. Mr. Welch: Dr. McCarthy has been quite busy in the preparation of the organization of the materials that will be necessary—

Mr. MacDonald: Always busy.

Hon. Mr. Welch: —for this particular committee. He has been doing a great deal of research himself in preparation for this announcement today. As a result of the work that he has been able to do, we will be prepared to share this with the committee and take their direction with respect to the research projects and the agenda which the chairman and the members of the committee will want to follow as soon as they meet.

Mr. Nixon: A supplementary: Is the minister, in his terms of reference, or his private direction to the committee indicating that they should co-operate with the standing committee on human resources in the researches that they have attempted to undertake without assistance during the last weeks?

Hon. Mr. Welch: I would hope whatever materials and whatever research have been made available to the human resources committee would be made available to this committee as well, Mr. Speaker.

Mr. Lewis: Is the minister not embarrassed by making this kind of announcement today? Where is the minister's sense of humour?

Hon. A. F. Lawrence (Minister of Justice): Is the member not embarrassed by asking a question like that?

FARM MARKETING LEGISLATION

Mr. Nixon: Mr. Speaker, I have a question of the Attorney General. Have his legal officers and advisers examined the judgement of the Supreme Court of Canada in connection with farm marketing as to its application to the laws of Ontario? Can he

indicate to the House what the conclusions would be?

Hon. A. F. Lawrence: No, sir. We have not. We received notice yesterday morning from our Ottawa agent that the Supreme Court of Canada had given judgement just yesterday morning in this matter.

The reasons are very lengthy. Several judges have given views. While they all, I think with one exception, concur in the final result, many of them have given varying reasons. I have not seen the reasons for judgement yet, even though it was supposed to be delivered here late yesterday afternoon. The deputy minister has not seen the reasons for judgement yet. They may have been received within the last hour down at our King Street offices but in no way have we yet been able properly to assess or evaluate the decision.

Mr. Nixon: A supplementary: Does the minister agree with his colleague, the Minister of Agriculture (Mr. Stewart), that the judgement has no influence nor effect on our legislation? If so, if that is the case, why did he send down a representative, or at least an observer, under instruction of this government and his department, to take part in the hearings and argue against what eventually was the decision of the court?

Hon. A. F. Lawrence: I am sorry. I guess I was not able to make myself understood by the Leader of the Opposition. I have indicated that I have not been able to see the judgement. I have not been able properly to evaluate or assess it in relation to Ontario's laws. As soon as I—

Mr. Nixon: The minister is not prepared to say whether or not he agrees with the Minister of Agriculture in this?

Hon. A. F. Lawrence: The Minister of Agriculture and I usually see eye to eye on a lot of things. On this particular matter, because I have not seen the judgement itself, I have not been able properly to assess it.

Mr. Nixon: A supplementary: Would it be fair then to say that the statement made by the Minister of Agriculture in the House yesterday was based on something a bit short of the full knowledge of the decision of the court and its application to our legislation?

Hon. A. F. Lawrence: Surely the Leader of the Opposition is not indicating that every

question he asks in this House is fair or not, is he?

Mr. Nixon: No, I am trying to assess the minister's answer.

Mr. Speaker: The member for Sarnia has a supplementary?

Mr. J. E. Bullbrook (Sarnia): Yes, recognizing that a reply to the decision does not apply to this question, would the Attorney General advise us—

Mr. Speaker: That, of course, is the hon. member's view.

Mr. Bullbrook: Well, I suppose I am entitled to some view. In any event, Mr. Speaker—

Mr. Speaker: But not entitled to a preamble to his question.

Mr. Bullbrook: Well, I apologize and I retract the preamble. Would the Attorney General advise us how the Ontario legislation does not fall within the trade and commerce section of The British North America Act?

Hon. A. F. Lawrence: No, Mr. Speaker, I am not in a position today to indicate that.

Mr. V. M. Singer (Downsview): Mr. Speaker, by way of supplementary, the Attorney General indicated that there was one dissenting opinion. Could he tell us which judge gave the dissenting opinion, because I did not catch that?

Hon. A. F. Lawrence: No, I indicated that I thought there were a number of varying reasons for judgement. All I am going on are three rather widely divergent press reports that I read last night and this morning, in respect of the Toronto press, which in some very crucial elements differed as to what was said by some of the learned justices of the Supreme Court of Canada. Obviously, I want to take a look at these.

Mr. Singer: Well, is the Attorney General suggesting that there was anything less than a unanimous opinion?

Hon. A. F. Lawrence: Have you got the judgements? If the hon. member has the judgements over there, I would be glad to see them from him.

Mr. Bullbrook: The Attorney General has them. We do not have them.

Hon. A. F. Lawrence: I do not have them.

Mr. Bullbrook: He flew them in yesterday.

Hon. A. F. Lawrence: I have not seen them yet.

Mr. Speaker: Order. The member for High Park has the floor for a supplementary.

Mr. M. Shulman (High Park): Will the minister, after seeing the judgement and the reasons for judgement, presumably within the next day or two, if he comes to the conclusion that the Ontario legislation is affected by this judgement, will he so advise the House later or at the beginning of the next week?

Hon. A. F. Lawrence: Well, we are dealing with a hypothetical question here—if, if, if, all down the line. Certain opinions of the Attorney General in respect of the validity or non-validity of Ontario legislation obviously are not questions that should be broadcast publicly. Whether they will be or not, I do not know. I am not trying to pre-judge the matter, as some members opposite obviously are, but until I see the judgement—

Mr. Bullbrook: That is a matter of opinion. The minister should have been ruled out of order.

Hon. A. F. Lawrence: Sure, it is a matter of opinion. I thought the hon. member was expressing a matter of opinion a little while ago.

Interjections by hon. members.

Mr. S. J. Randall (Don Mills): Tomorrow they will give us the answer.

CENTURY CITY

Mr. Nixon: Mr. Speaker, a question of the Minister of Municipal Affairs: Following the decision by the Uxbridge township council last night pertaining to Century City, is the minister now prepared to announce to the House the government's decision as to whether the plan will continue or not?

Hon. D. A. Bales (Minister of Municipal Affairs): Mr. Speaker, I read the report of the decision in the morning paper, as the hon. member did, and I think it speaks for itself. We would have to deal with this through the Toronto-centred region proposals. I think the answer is obvious.

Mr. MacDonald: A supplementary question, Mr. Speaker: When can we expect the minister to give us some report on the government's decision with regard to Century City?

Hon. Mr. Bales: It will come before the Treasurer's committee considering that whole matter of change in population, if any, and plans for that area. The Uxbridge council last night declined the matter, and I think it is quite obvious that if they have declined it that certainly has to be taken into consideration. It was not under the original Toronto-centred region concept in any event.

Mr. MacDonald: A further supplementary question: Is the minister in effect saying that the final decision on this issue rests with the provincial Treasurer through the Toronto-centred plan rather than with himself?

Hon. Mr. Bales: The Toronto-centred region concept and the announcements under that will come from the Treasurer, not from me.

Mr. Lewis: By the way of supplementary: If I understand the meaning of the minister's phrase "it should be obvious," he is saying to the House that the government will support Uxbridge township in the rejection of Century City?

Hon. Mr. Bales: Under the Toronto-centred region concept as it stands today, that area was not looked upon as a growth centre.

An hon. member: That is right.

Mr. MacDonald: Of course it violates the concept.

Mr. Nixon: A further supplementary: What kind of tentative approval in fact was given the developers of Century City in the first place? Is the minister prepared to say categorically that approval of his predecessor or any of the other planning ministers in the government was never given even tentatively?

Mr. E. R. Good (Waterloo North): Five ministers were in on it.

Hon. Mr. Bales: The Leader of the Opposition is asking that I answer that categorically. To my understanding there was no approval given for that concept. There were discussions but I am not aware of any approval or anything else being given to it.

There were discussions, I am sure, by developers who were interested in it, but nothing beyond.

Mr. Nixon: Funny there was so much misunderstanding on the other side.

Mr. Lewis: Does the minister mean Revenue Properties assembled all that land and met with the minister's predecessor without knowing—

Mr. Speaker: The hon. member for Scarborough West may now have the floor, if he wishes and if the Leader of the Opposition has completed.

NO-FAULT INSURANCE

Mr. Lewis: That is very nice of you, Mr. Speaker. I have a question—I am not sure whether it goes to the Minister of Financial and Commercial Affairs or the Minister of Health. I will begin with the Minister of Health.

Since it is true that the Ontario Hospital Services Commission in 1969, the last year for which we have records, recovered primarily from automobile insurance companies in Ontario over \$5 million by way either of hospital services or damages or negligence which were in part covered by OHSC, under the new no-fault insurance will the Hospital Services Commission be able to recover that sum of money again?

Hon. A. B. R. Lawrence (Minister of Health): I think the question properly should be directed, as was suggested, to the Minister of Financial and Commercial Affairs, and perhaps added to it should be the question involving the Workmen's Compensation Board.

Mr. Lewis: And the Ontario medical care insurance plan!

By way of supplementary to my initial question, which I am redirecting, all of these agencies of government apparently recovered well in excess of \$5 million—somewhere between \$5 million and \$10 million—from the automobile insurance companies which the legislation, as I understand it, has precluded.

Hon. A. A. Wishart (Minister of Financial and Commercial Affairs): Mr. Speaker, the new legislation proposes to extend the coverage to enrich the benefits by making the coverage mandatory. I do not think we have changed the procedures under the Act except that a person deals directly with the

insurer. I do not know at the moment that this affects the government or changes the approach it has to take; as we debate the bill, perhaps we can examine that further. But our approach to this legislation was an extension of coverage, a mandatory requirement, an enrichment of benefits, a speedy payment—those are the particular terms of the legislation.

Mr. Lewis: By way of supplementary, the provision of recovery was originally based on proof of fault. Since this is no-fault insurance, I take it therefore that the recovery can no longer be made, in which case the Province of Ontario loses through Ontario Hospital, Ontario Health Services and Workmen's Compensation Board a recovery sum of between \$5 million and \$10 million, which may well be as it should under no-fault insurance.

Hon. Mr. Wishart: It may well be that that is as it should. It may well also be that arrangements can be made to recover proper debt—

Mr. Lewis: How? There is no fault.

Hon. Mr. Wishart: That does not mean the payment cannot be directed or recovered by other arrangements.

Mr. Lewis: By way of supplementary, why are no other arrangements mentioned anywhere in the bill?

Hon. Mr. Wishart: They would not necessarily need to be in the bill; they could be in regulations.

Mr. Lewis: Why did this government not ask the insurance companies to lower their premiums commensurate to a saving of between \$5 million and \$10 million, which it has now given them over and above the \$9 million in additional premiums to cover the so-called additional benefits?

Hon. Mr. Wishart: The answer, Mr. Speaker, is very simple: because we took the increased premiums and enriched the benefits on the other side.

Mr. Lewis: I see. Therefore, by the way of supplementary, I take it that the government included, in addition to the \$9 million, the additional \$5 million to \$10 million which the insurance companies would no longer have to pay to the government agencies and which they previously recovered.

Mr. MacDonald: Back-door bonanza.

Hon. Mr. Wishart: If they do not pay it to the government—

Mr. Lewis: It is a very profitable scheme.

Hon. Mr. Wishart: —they pay it to the insured and the dependants of the insured.

Mr. I. Deans (Wentworth): They pay it to the shareholders.

Mr. Lewis: By way of supplementary: As I understood it, the increase in the premium level—the \$9 package, with \$7 for death and disability—

Hon. Mr. Wishart: There is not an increase.

Mr. Lewis: —and \$2 for medical coverage—the additional \$9 paid by the 30 per cent who were not previously covered was to allow for the enrichment of the benefits—

Hon. Mr. Wishart: Right.

Mr. Lewis: And not the sudden windfall of an additional \$5 million to \$10 million which is no longer recoverable by OHSC, OHSIP or Workmen's Compensation, specifically ruled out in the new legislation.

Hon. Mr. Wishart: Mr. Speaker, first of all, let me say that I repudiate the words, "increased premium." The premium is not increased. The premium is \$9 for that coverage today. Except that for that coverage today there is a greatly enriched benefit. The next step was to make mandatory that coverage at the same premium of \$9—

Mr. MacDonald: Increased total collections.

Hon. Mr. Wishart: And the amount which the companies will receive by reason of an enlarged number of insured who will pay that premium is taken into account and reckoned in the enriched benefits.

Mr. Lewis: I should hope so, considering they will be getting between \$14 million and \$15 million.

Hon. Mr. Wishart: But I do not think they will pay—

Mr. R. Gisborn (Hamilton East): No wonder they are so happy about it.

Interjections by hon. members.

Hon. Mr. Wishart: The member can compare it with any other he likes and he will find it is much better.

Mr. MacDonald: That is what we are doing.

Hon. Mr. Wishart: So am I.

Mr. MacDonald: That is where the deficiencies emerge.

Hon. Mr. Wishart: But the companies are not paying less, they are paying more, and if the government does not get it the insured will get it.

Mr. Lewis: The insured should have their premiums reduced.

THREATENED CLOSING OF WELLAND PLANT

Mr. Lewis: A question, if I may, Mr. Speaker, of the Minister of Trade and Development. Has the Minister of Trade and Development considered intervening in the threat on the part of Union Carbide in Welland, that because of the need to install anti-pollution equipment they may have to move their operation to Beauharnois in Quebec, or to import their products from offshore and closing down in Welland?

Hon. A. Grossman (Minister of Trade and Development): Mr. Speaker, I rather imagine that my staff have advised them, or if they have not, they will advise them that loans are available for antipollution equipment.

Mr. Lewis: By way of supplementary, Mr. Speaker, this company has already received over \$200,000 by way of forgivable loans in other parts of Ontario. Will the minister countenance them closing down and packing up under these circumstances?

Hon. Mr. Grossman: I will have to look into the situation.

Mr. Lewis: Thank you.

NORTH YORK HYDRO DISPUTE

Mr. Lewis: Mr. Speaker, I have a question of the Minister of Labour. Will the minister intervene yet again in the hydro dispute in North York, as I gather he tentatively intervened in its latter stages, although unsuccessfully?

Hon. G. Carton (Minister of Labour): Mr. Speaker, we are in touch with both partners. We were this morning and we are again this afternoon.

Mr. Lewis: By way of supplementary, has the minister looked into the practice of unqualified personnel handling emergency equipment during the strike when, in fact, members of the work force offered to handle it on an emergency basis?

Hon. Mr. Carton: No, I have not looked into that, Mr. Speaker.

Mr. Lewis: Would you do so?

COSTS INVOLVED IN OPENING OF OLD FORT WILLIAM

Mr. Lewis: I have one final question, perhaps, for the provincial Treasurer, Mr. Speaker. Can the provincial Treasurer indicate to the House how much it cost the government of Ontario to bring the buses of children, the bands and the personnel dressed as voyageurs paddling canoes, from Minnesota to the site of the opening of the old Fort William yesterday when the Premier (Mr. Davis) officiated at the sod turning? Has he an estimate of cost?

Hon. W. D. McKeough (Treasurer): No, I do not, Mr. Speaker, but I am sure the Minister of Tourism would be happy to get that figure for the member. No doubt it would be best placed on the order paper.

Mr. Lewis: That is all, Mr. Speaker.

Mr. Speaker: The member for Renfrew South (Mr. Yakabuski).

Mr. H. Peacock (Windsor West): Who was not on his feet.

Mr. Lewis: Point of order, Mr. Speaker. What clairvoyance do you have to recognize the member for Renfrew South day in and day out when he does not arise to his feet at all?

Mr. Speaker: I receive from many members in the House, notes stating that they have a question. I have received some today from the official opposition; I have received some from the government party. The organization here, as I understand it, is that after the Leader of the Opposition and the leader of the New Democratic Party have asked their questions—

Mr. Peacock: On a point of order, Mr. Speaker.

Mr. Speaker: You might wait until I have finished. The arrangement as I understand

it, and I shall continue to enforce it, is that after the leaders of the two opposition parties have asked their questions, if there is any member of the government benches who has a question he is entitled to ask it in that rotation.

Mr. Peacock: Mr. Speaker, on a point of order. I understand that the procedure and routine during question period is settled much in accord with your view of the way in which it should be handled.

Mr. Speaker: I think this would be the opportune time for you to consider putting the whole matter of the structure of question period to the standing committee on rules, or what is now called the procedural affairs committee, so that all members of this House who rise in their place to get your eye have the opportunity to ask questions during the 45 minutes which is available to us each day.

Mr. Speaker: I must say that I have had very few complaints from the members who have not been able to get Mr. Speaker's eye. I have a very careful record of the number of questions and supplementaries asked by the members and I go over that regularly.

I must say that it appears to me that the members, certainly on the opposition side of the House, have been receiving very fair treatment. There have been more questions asked by the official opposition—which is quite proper, there are more members—than there have been by the New Democratic Party. And, by and large, some members in each of those parties have had a great many more questions than others. That is something which the party caucuses, of course, must deal with, because, as the hon. member for Windsor West has pointed out, I endeavour to deal with the members as they get my eye either by rising or by sending me a note.

I have no objection whatsoever to the question period going back to the committee, but it is certainly not my authority to send it there, and if the House wishes to do that if the proper motion is made I am sure it will be done.

The member for Renfrew South has the floor.

POSSIBLE AMENDMENT TO OHSC REGULATION

Mr. P. J. Yakabuski (Renfrew South): Thank you, Mr. Speaker, I have a question of the Minister of Health. Has the minister given

consideration to the possibility of amending the OHSC regulation which is detrimental to those residents of Ontario who might be doing missionary work abroad, or working abroad in some other field for a couple of years or more, and then return to the province and find out that they cannot be immediately covered for hospitalization in this province?

Hon. A. B. R. Lawrence: Mr. Speaker, I have not, but I would think not only in relation to that particular circumstance but perhaps in relation to those on government service, this might be something to be looked into. I will assess it and get in touch with the hon. member.

Mr. Speaker: The member for Downsview has a question?

EXTRA POLICE COSTS FOR ROCK FESTIVAL

Mr. Singer: Yes, Mr. Speaker, I have a question of the Attorney General. Could the Attorney General advise us whether in fact the government of Ontario has not sued Orange Productions Limited, as he indicated in his answer given on May 7, or has sued them as he alluded yesterday afternoon, in relation to an order-in-council passed in September of 1970?

Hon. A. F. Lawrence: Mr. Speaker, I undertook for the hon. member yesterday that I would obtain that information for him. I have been tied up almost completely from yesterday's question period until today's question period, and I have not had the opportunity to speak to my officials about it.

Mr. Singer: By way of supplementary, Mr. Speaker, would the Attorney General, when he is pondering this answer, consult Hansard and see what he said on May 7 of this year?

Hon. A. F. Lawrence: There are differences from time to time—I know it is hard for the hon. member to recognize but time does pass on and a lot of things can happen between May 7 and now. I said I would get the answer for him and I will.

Mr. Speaker: The member for Grey-Bruce.

Mr. Singer: We do not know what the Attorney General's answers will be from one day to the next.

SUMMARY OF LOGBOOKS OF GOVERNMENT AIRCRAFT

Mr. Sargent: Mr. Speaker, a question of the provincial Treasurer.

Due to the fact that last night the provincial Treasurer explained that the reason for the chauffeur limousines taken across on the ferry to make a 50-yard trip to the planes was needed to carry the booze to the planes, I would like to ask him about the "Davis Air Force."

Would he supply the House with a detailed monthly summary of the logbooks on the four government-owned executive aircraft kept at Toronto Island airport? And would he also give a breakdown of the number of pilots and their salaries, the fuel costs, number of miles logged—

Hon. F. Dunlop (Minister without Portfolio): Order paper.

Mr. Yakabuski: No executive jets here.

Mr. Sargent: This hurts, I know, boys. This hurts. The names of passengers carried and the full passenger list.

An hon. member: And baggage.

Mr. Sargent: The purpose of all the trips and the date purchased, and the capital cost involved in the four aircraft.

An hon. member: Four cases of booze.

Mr. Sargent: And I have some supplementaries here.

Hon. Mr. McKeough: Ask them all.

Mr. Sargent: Would he also outline the need for purchasing the aircraft in view of the fact the government used to lease aircraft, rather than using charter aircraft when ministers make so few trips outside of Toronto? And also, will the government be using these aircraft for the Prime Minister for the upcoming election campaign?

Mr. Nixon: They already are being used.

Mr. Sargent: When the aircraft are not being used, would the Treasurer tell the House what the duties of the aircraft pilots are when they are awaiting instructions from God up here?

Hon. Mr. McKeough: Mr. Speaker, I would be delighted to answer that question. I lost track of a couple of the points. I am afraid that if I attempted to answer the question it

would be to the chagrin of the member opposite and he would be a continual embarrassment to his party again today, as he was last night in the House.

I would suggest that that question be placed on the order paper.

Mr. Speaker: The member for Hamilton East.

Mr. Sargent: On a point of privilege.

Mr. Speaker: A point of privilege?

Mr. Sargent: Yes. This upstart over here—

Interjections by hon. members.

Mr. Speaker: Order. What is the point of privilege?

Mr. Sargent: About four years ago he sat in the back row there, but he knows the answer to everything now. When he cannot defend himself he—

Mr. Speaker: Order. What is the point of privilege?

Mr. Sargent: He is the best thing that ever happened to the Liberal Party.

Mr. Speaker: Order.

Interjections by hon. members.

Mr. Gisborn: Mr. Speaker, my question is for the Provincial Secretary.

Interjections by hon. members.

Mr. Speaker: Order.

BREWERS' RETAIL STORES AGE OF EMPLOYMENT

Mr. Gisborn: A question of the Provincial Secretary: Would the Provincial Secretary explain to the youth of this province who are looking for work why to make application for casual, probationary or full-time work with brewers' retail outlet stores, they have to be at the age of 21?

An hon. member: Wake up Mr. Minister.

Hon. J. Yaremko (Provincial Secretary): Mr. Speaker, I think the matter is governed by the terms of The Liquor Control Act, which is very general in its application with respect to age and the delivery of liquor. I think my recollection is that the only exception is the appearance of minors in those premises—licensed dining lounges. However, I would be very pleased to take the matter

in review and give the hon. member a further answer if necessary.

Mr. Gisborn: It is important.

By way of supplementary, would the minister agree with me that there is no relevance between the dispensing of beer in cases from the retail outlets and the dispensing of the drinks in a bar or lounge? I would appreciate it if the minister will look into this situation.

Mr. Speaker: The Minister of Trade and Development has the answer to a number of questions. I think we should have the answers to two of them now and then we can go back to questions.

PURCHASES OF UNITS FOR OHC

Hon. Mr. Grossman: Mr. Speaker, on May 25, the hon. member for High Park asked me:

In view of the figures prepared by his department last week, which showed that Ontario Housing units which were purchased have run at approximately half the cost of those which OHC has built itself, why has he stopped the purchase of all such units beginning January 1? From January 1 to the end of April there were absolutely no units purchased.

Mr. Speaker, the delay in answering this question was caused by the difficulty in establishing precisely what the hon. member was referring to. We believe now we have found the document he referred to, which shows 187 units, some 10 to 12 years old, the Twin Pines project, purchased at about half the cost of building new senior citizen units. OHC was able to purchase these former limited dividend properties at slightly more than the mortgage principle outstanding, which, of course, brought the cost per unit well below the average.

CHARGE AGAINST OHC TENANT

Hon. Mr. Grossman: The hon. member for Scarborough East (Mr. T. Reid) on June 10, asked:

Is the minister going to carry out his threat to charge OHC tenant Gordon Potts with contributing to juvenile delinquency, as he stated in Hansard on page 1922 and on CBC television?

Mr. Speaker, I did not at any time say that I was going to charge this particular person with contributing to juvenile delinquency. I had stated that I thought some of those involved should be charged, and in fact there are a number of them who were charged in court and convicted. Not precisely on that charge—

Mr. Singer: Charged with what?

Hon. Mr. Grossman: Other charges related to the same event. I have been given legal advice—

Mr. Singer: Just shows the minister was talking—

Hon. Mr. Grossman: I have been given legal advice and I am told that as there was some doubt as to whether the evidence would stand up in court. The answer is no.

Mr. Speaker: The member for Essex South.

Mr. T. Reid (Scarborough East): A supplementary.

Mr. Speaker: Any supplementaries?

Mr. T. Reid: Did the minister in his research into the question discover that Mr. Gordon Potts had actually been acting as an intermediary between OHC and the tenants who were occupying or were in the OHC building? If so, should not the minister at least acknowledge that Gordon Potts was trying to calm down the situation and apologize to him in public?

Hon. Mr. Grossman: That, Mr. Speaker, was another question I was going to answer which the hon. member raised and—

Mr. Speaker: Perhaps we might allow the minister to answer that and then go on to the supplementaries.

Hon. Mr. Grossman: As a matter of fact, Mr. Speaker, I deny what the hon. member has stated. He was one of those who created the disturbance, who was actively involved in its organization. The hon. member asked me if the director of community relations for the Ontario Housing Corporation, Mr. Robert Bradley, used Gordon Potts as a mediator in a dispute at OHC. The answer to that, I am advised, is definitely, positively and absolutely no.

Mr. Speaker: The member for Essex South, unless there is a supplementary.

AERIAL SPRAYING OF CROPS

Mr. D. A. Paterson (Essex South): Mr. Speaker, a question of the Minister of Health. Has he ordered aerial crop spraying with pesticides to be stopped in the Province of Ontario?

Hon. A. B. R. Lawrence: No, Mr. Speaker.

Mr. Paterson: Is the minister aware that in parts of Ontario this order has been put into effect by his department officials?

Hon. A. B. R. Lawrence: It is not done by order, as I recall, Mr. Speaker. The policy is exercised by turning down applications for permits where required. I cannot suggest that every permit which is applied for in any part of Ontario has been turned down or will be turned down.

Mr. Paterson: As a supplementary, Mr. Speaker: Is it the intent of the minister to bring in specific regulations governing the use of aircraft in crop spraying? I do not believe there are any.

Hon. A. B. R. Lawrence: I do not know how specific the regulations are. These applications go to a board and the board hears them on their merits. I would think that would give us more overall flexibility than trying to spell it out in elaborate regulations.

Mr. Speaker: The member for Windsor West.

WINDSOR CITY STRIKE

Mr. Peacock: A question of the Minister of Labour, Mr. Speaker. Has he received a request from either party to the dispute between the Canadian Union of Public Employees and the city of Windsor for mediation since the beginning of the strike at midnight, Saturday?

Hon. Mr. Carton: I am not sure about the request for mediation, Mr. Speaker, but we are in constant touch. We were talking to them this morning, I believe.

Mr. Peacock: Mr. Speaker, has the Minister of Labour made any investigation of the matter in dispute with a view to determining whether the actions of the city administration were in violation of The Labour Relations Act in respect of unfair labour practices?

Hon. Mr. Carton: No, I have not, Mr. Speaker. I presume that would be up to the union. If they felt that were the case, they would bring a prosecution.

Mr. Peacock: One further supplementary, if I may, Mr. Speaker: Under The Labour Relations Act, is it an unfair labour practice for an employer to refuse, as in the case of the city of Windsor, the continu-

ation of employment of those persons engaged in essential services when offered by the trade union representing them?

Hon. Mr. Carton: I will check into that, Mr. Speaker. I am not certain.

Mr. Speaker: The member for Kent.

DECISIONS OF COUNTY SCHOOL BOARDS

Mr. J. P. Spence (Kent): Mr. Speaker, I have a question of the Minister of Education: Do the taxpayers in any county have any say if a county school board decides to build a senior public school and the majority of the taxpayers are opposed to it? Have they any right to appeal or to appeal to any branch of the minister's department?

Hon. Mr. Welch: This is the type of decision, Mr. Speaker, for which the board would be accountable to its own electorate.

Mr. Speaker: The member for Wentworth was on his feet a short time ago.

ACCIDENTS AT HIGHWAY 27 AND QUEEN ELIZABETH WAY

Mr. Deans: Mr. Speaker, I have a question of the Minister of Transportation and Communications: Has the department investigated at any time the accident frequency at the intersection of Highway 27 and the Queen Elizabeth Way? If so, have they determined whether or not there is some architectural or structural or design defect that causes so many trucks to have so many accidents at that particular intersection?

Hon. C. S. MacNaughton (Minister of Transportation and Communications): Mr. Speaker, the one accident in particular, where a driver hit the side of the bridge and fell off, was investigated. I do not know how many more. The ramp there is designed for a speed of 55 miles. In the circumstances that were discovered upon investigation, the pavement was quite wet.

We have been out and have tested the ramp speed a number of times. We find it is not difficult to negotiate at a speed of 55 on that ramp. So we can only conclude that the wet pavement made a contribution to that one.

I do not have the reports on the other ones at the moment so I cannot comment, Mr. Speaker.

Mr. Deans: May I, by way of supplementary question, ask the minister if he would conduct an investigation into the frequency of accidents? I drive that every day and my impression is it is a hazardous intersection.

Hon. Mr. MacNaughton: Mr. Speaker, it will not be necessary for me to order an investigation on every traffic accident. Certainly those resulting in bodily injury and fatalities are automatically investigated, so the reports will come in any case.

Mr. Speaker: The member for York South.

POLLUTION PROSECUTION

Mr. MacDonald: I have a question of the Attorney General: With reference to the judgement yesterday in which Canadian Gypsum on Oak Street in Weston was fined \$1,000 for air pollution after 30 years of pollution, would the Attorney General consider appealing this judgement since the fine is only one-fifth of the amount that can be established under the legislation and there have been 30 years of pollution?

Hon. A. F. Lawrence: Mr. Speaker, I read with interest the press reports in respect to that particular judgement. I have not seen the transcript of the evidence or the actual wording of the judgement, but I noted that the provincial judge certainly indicated that in his opinion it was a single offence, not a recurring or continuing offence. In two of the three press reports that I saw, those words were reproduced.

However, I would certainly be glad to take the matter up with the Minister of Energy and Resources Management (Mr. Kerr), under whose direct jurisdiction air pollution falls, and certainly if there are grounds for an appeal and if we think it is worthy of an appeal, we will pursue the matter.

Mr. MacDonald: As a supplementary question, is the minister aware that this charge was laid because of the company's violation of a ministerial order, and the ministerial order was placed only after repeated violations down through the years?

Hon. A. F. Lawrence: No, I was not aware of that. I will certainly check it.

Mr. Speaker: The member for Windsor-Walkerville.

WORK INCENTIVE PROGRAMME

Mr. B. Newman (Windsor-Walkerville): I have a question of the Minister of Municipal Affairs: Has the minister received copies of the resolution of the city of Windsor and the Essex county council requesting an extension of the work incentive programme for persons who normally would be collecting welfare for another three months? And is he giving it active consideration?

Hon. Mr. Bales: Mr. Speaker, I received that resolution. The present programme terminates as of June 30, and the allotment of money for that was \$7.5 million. We have extended the programme a number of times to June 30 for those municipalities who want to take advantage of it. All of the money, I believe, will be used by June 30, and it would require larger funds. Besides, we feel that there will, hopefully, be other employment opportunities that the municipalities or the people who would normally be eligible, will use. Other work now becomes available with the change in season.

Mr. Paterson: A supplementary: Did the minister notify the county of Essex or other counties of the fact that funds allocated for each county and not used by individual municipalities could be picked up by municipalities that wanted to get in this particular system?

Hon. Mr. Bales: Yes. I did that back in March and a number of municipalities took advantage of it. That is why all the funds are used up.

Mr. Paterson: Each municipality was notified of this fact. Is that correct?

Hon. Mr. Bales: Yes.

Mr. Speaker: The Minister of Labour has a reply to a question.

BILLBOARD ADVERTISEMENTS TERMED OFFENSIVE

Hon. Mr. Carton: Mr. Speaker, last Wednesday the hon. leader of the New Democratic Party questioned me with respect to an advertisement on billboards in the subway by CFRB. I wanted to advise him today that I contacted the head of the respective departments in the branches of my department and I am advised that this does not contravene any of our legislation.

I did a little research into it, sir, and this is a picture showing a very beautiful girl with a well-muscled arm and, without in any way condoning this, I think if you read what goes along with the picture, I think I can get the point they were trying to make. Basically, they are trying to highlight certain topics that some of their dignitaries or some of their headlines for CFRB talk about.

In this case, Bill McVean has several opinions, and most of them good I understand, on the women's lib group, and the point was that he was trying to bring this to the attention of the listeners.

In short, sir, I suppose it depends where the muscles are located with respect to the feminine sex, but they have not received, other than a representation from a women's lib group, any replies or any queries. I would suggest that if the group wants to carry it further they could go to the Canadian Advertising Advisory Board.

Mr. MacDonald: It is a new approach for the "family" station.

Hon. A. F. Lawrence: Is the member against the family?

Mr. Speaker: The member for Brantford.

REGIONAL GOVERNMENT STUDIES

Mr. Makarchuk: Mr. Speaker, I have a question of the Minister of Municipal Affairs. In view of the fact that the Treasurer last night said that funds have been allocated for a regional government study—which contradicts the minister's earlier statement last week that funds had not been allocated—can the minister indicate now whether a) he has received the funds, and b) if he has received the funds, then if and when will the regional government study be instituted in the Brant area?

Hon. Mr. Bales: Mr. Chairman, I think I said last week that there were funds in the budget for a number of studies, and it had to be determined which ones would proceed. They were not allocated specifically for each area.

Mr. Makarchuk: By way of supplementary, Mr. Speaker, can the minister indicate when the studies will begin, or which areas will have studies this year?

Hon. Mr. Bales: I will determine that in the near future.

Mr. Makarchuk: By way of supplementary, can the minister explain what "the near future" means?

Hon. Mr. Bales: It speaks for itself.

Mr. Speaker: The number for Huron-Bruce.

TAXING PREMIUM-FREE OHSIP

Mr. M. Gaunt (Huron-Bruce): Thank you, Mr. Speaker, I have a question of the Minister of Health. Since OHSIP premiums are based on taxable income, and since the new exemptions under The Income Tax Act come into effect on the first of January, 1972, will premium-free OHSIP be on the new taxable income basis?

Hon. A. B. R. Lawrence: I would have to think more deeply into that question than I am prepared to do at this moment, Mr. Speaker, and it would be against the background of the fact that we are combining the premium for OHSC and OHSIP into a single package; and as yet, as a matter of policy, it is not established what weight revenue and what weight premiums will bear in the formula.

Mr. Speaker: A supplementary?

Mr. Gaunt: So this whole matter is under active consideration, particularly in view of the upcoming amalgamation of the two?

Hon. A. B. R. Lawrence: Very much so, Mr. Speaker. It is a decision that has to be made very soon.

Mr. Lewis: The minister is considering reducing the premiums then? That is what it means, I take it?

Mr. Speaker: That brings us to the end of the oral question period.

Petitions.

Presenting reports.

Hon. Mr. Yaremko presented the 1970 annual report of the Civil Service Commission of Ontario.

Hon. Mr. Welch presented the following reports:

The annual report of the Ryerson Polytechnical Institute for the year ended March 31, 1970;

The annual report of the board of governors of the Ontario Institute for Studies in Education for the year ending June 30, 1970;

The annual report of the Teachers' Superannuation Commission for the year ended October 31, 1970.

Hon. Mr. Wishart: Mr. Speaker, it is my pleasure to table the final report of the minister's committee on franchises. The report represents a year's work by the committee, established by my predecessor, the present Minister of Health on June 17, 1970.

This committee was chaired by Mr. S. G. M. Grange, a Toronto lawyer. The members were Watson W. Evans, a Toronto businessman, and Miss J. R. A. Turner, an active member of the Consumers' Association of Canada. Professor William A. W. Neilson of Osgoode Hall Law School, York University, acted as research director and counsellor, and Mrs. D. A. Staff, research economist with The Department of Financial and Commercial Affairs was secretary.

In its study, the committee had the benefit of the views and ideas of a broad cross-section of individuals and companies engaged in and affected by franchising operations in what we commonly refer to as referral, pyramid or multilevel selling. The committee heard useful representations from a number of interested parties during a series of public hearings held late last year and early in 1971. The hon. members are aware the committee submitted certain interim recommendations during the latter part of its study. This report embraces those concepts and other recommendations and views formulated since.

The terms of reference of the committee in undertaking the study, Mr. Speaker, were quite broad. They involved a consideration of all aspects of referral and pyramid selling as well as factors influencing sales of franchises and the relationship between the parties engaged in such transactions. The position of the consumer and a healthy environment of the marketplace were considered throughout the examination of these matters.

The problems reviewed by the committee are not confined to Ontario alone but are Canada-wide, and during a recent federal-provincial conference in Ottawa, much interest was expressed in this study. It is our intention to make this report and the knowledge gained from this study available to all provinces and The Department of Consumer and Corporate Affairs in Ottawa.

We in the department are presently reviewing the recommendations of this report to establish what action is desirable and

feasible. Members of the House have received copies of the report of the summary of what we consider to be the highlight of the committee's findings and recommendations.

Mr. R. G. Hodgson from the standing committee on legal administration presented the committee's report as follows and moved its adoption:

The committee begs to report the following bills without amendments:

Bill 54, An Act to provide a Single Procedure for the Judicial Review of the Exercise or the Failure to Exercise a Statutory Power.

Bill 83, An Act to amend The Judicature Act.

The committee begs to report the following bills with certain amendments:

Bill 53, An Act to provide Procedures governing the Exercise of Statutory Power granted to Tribunals by the Legislature wherein the Rights, Duties or Privileges of Persons are to be decided at or following a Hearing.

Bill 55, The Public Inquires Act, 1971.

Bill 56, The Civil Rights Statute Law Amendment Act, 1971.

Mr. J. Renwick (Riverdale): Mr. Speaker, on the motion, would it be proper for me to request that those bills come through the Committee of the Whole House?

Mr. Speaker: I think that would be the next question the Speaker would ask with respect to the various bills.

Is it the pleasure of the House that the report be received and adopted?

Report agreed to.

Mr. Speaker: Now we have several bills and I think that the disposition of each bill should be decided independently. Bill 54—that is the Single Procedure for Judicial Review—is that one for third reading or—

Mr. J. Renwick: Mr. Speaker, I would ask, having regard to the importance of the bills and the fact that a number of members of the assembly were not otherwise able to be in attendance at the meetings of the legal administration committee, that these bills—forming as they do a group of bills implementing important recommendations of the McRuer commission—come through the Committee of the Whole House, and I would so request.

Mr. Speaker: Is the hon. member suggesting that the whole five bills comprising this report—

Mr. J. Renwick: Yes, Mr. Speaker.

Mr. Speaker: —go to Committee of the Whole House? Has the minister any views on the matter?

Hon. A. F. Lawrence: No, Mr. Speaker. One of those bills is an extremely long bill. If we are going to go through it clause by clause, as we went through this morning, it is going to take quite some time.

My understanding of the comments and the views of the hon. member the other day was that these bills should go to the standing committee; they were sent to the standing committee and I myself was disappointed at the turnout this morning. I know there were perhaps valid reasons why some of the hon. members could not be there. I have no basic objection to it, but should all five of them go through Committee of the Whole House? There were some of them in which there was absolutely no comment this morning. That is all.

Mr. J. Renwick: Mr. Speaker, if I may comment in reply to the minister, the new rules of the House do not require that each and every section go through. It is within the discretion of the chairman to call the sections of the bill up to and including a certain point and to ask for comments about them.

I think a number of the members of the Legislature are not members of the legal administration committee, and while they have an opportunity to speak at that committee, they nevertheless do not have any opportunity to vote on the matters dealt with in the bill.

Thirdly, I would simply say that a number of the matters I wanted particularly to comment about in the bill were not open to me because of being engaged otherwise because of the transfer of business from the committee on Wednesday to the committee on Tuesday which interfered with other equally important matters concerned with the business of this Legislature.

Motions.

Introduction of bills.

Hon. A. F. Lawrence: Mr. Speaker, before the orders of the day, there has been a question asked of me now in two successive sit-

tings of the House by the hon. member for Downsview relating to the issuance of a writ. Would it be in order for me very briefly to give the answer that he has been requesting now for two days concurrently here?

Mr. Speaker: If the House agrees, anything can be done. Is it agreeable to the members that this procedure be followed?

Hon. A. F. Lawrence: I do not want him to go through any more sleepless nights.

Mr. Speaker: I just do not want this to become a change of the proceedings of the House because we have our question period for answers. But the House is agreed, so the minister might perhaps give the answer.

Mr. Pilkey: Anything for the member for Downsview.

Hon. A. F. Lawrence: I just wanted to indicate to the hon. member that the writ certainly was issued.

Mr. Singer: What day?

Mr. Nixon: Today?

Mr. Singer: Was it yesterday?

Hon. Mr. Yaremko: Mr. Speaker, before the orders of the day, because I shall not be present tomorrow, I should like to mark for the record of Hansard—

Mr. Sargent: The party is not until Thursday.

Hon. Mr. Yaremko: —in a formal way, the national day of Canada, July 1. I shall not dwell upon this day at any length—

Mr. Sargent: And this government is playing politics with it.

Hon. Mr. Yaremko: —because I think all of us are aware of the significance of the day.

Interjection by an hon. member.

Hon. Mr. Yaremko: We are a fortunate country. We are a fortunate people. We have much to celebrate and, as was discussed the other day and reported in one of Toronto's papers, everybody is asked to a July 1 picnic on the front lawn of Queen's Park. It will start off at 11 o'clock with a 21-gun salute of 105-millimetre howitzers; then the party will begin.

Mr. Randall: The member for Grey-Bruce had better not get in the way.

Mr. Sargent: We are paying for it.

Interjections by hon. members.

Clerk of the House: The 36th order, House in committee of supply; Mr. A. E. Reuter in the chair.

ESTIMATES, DEPARTMENT OF TREASURY AND ECONOMICS (concluded)

On vote 2403.

Mr. Chairman: Vote 2403, item 1. Is there anything under item 1 of vote 2403?

Mr. S. Lewis (Scarborough West): Can we hold for just a moment?

Mr. Chairman: Vote 2402 was carried just at adjournment last night.

Mr. Lewis: No, it was not, as I understand it. I had understood, perhaps wrongly, that there was still an opportunity to raise something under regional development. No?

Mr. Chairman: We had discussed that fifth item considerably and—

Mr. Lewis: I gathered that. I was not here last evening, and I shall have to try deviously to enter my questions in other areas. I do not have much to ask or to contribute. I did have some particular questions of the minister. Is there any other way I might get it in? Perhaps under Treasury Board?

Mr. Chairman: Well, I would suggest the hon. member try it under that particular vote.

Mr. Lewis: Economic analysis, I think, is exactly what I would want, as I see it.

Mr. Chairman: What vote is that?

Mr. Lewis: The economic and statistical services programme, vote 2403. Economic analysis is more dead on than I would ever have hoped in terms of what I want.

Mr. Chairman: Well, perhaps the hon. member could refer to the economic analysis feature of this particular vote.

Mr. Lewis: Vote 2403, item 4.

Mr. Chairman: Is there anything under item 1? Shall item 1 carry? Carried. Item 2, the Ontario Statistical Centre. Anything under that particular item?

Mr. D. M. Deacon (York Centre): Mr. Chairman, can I ask the minister what type of statistical analysis is being done under this vote? Is it something to do with the provision of programme budgeting, performance budgeting? What does the statistical force do? Is it studying the economic conditions in the province and providing the sort of data that assists the Ontario Economic Council?

Hon. W. D. McKeough (Treasurer): The collection of economic data. If I could read just a little bit to the member:

The basic function of the Statistical Centre will continue to be the efficient collection, storage and production of statistical information required by the central research units for economic analysis and policy planning under The Department of Treasury and Economics.

I think that covers it. The centre is working toward the development of a central information system including a data bank facility designed to integrate selected economic, financial and administrative data necessary for improved economic analysis and decision-making in the government. This centre provides a liaison between the government and the Dominion Bureau of Statistics in statistical matters.

Mr. Deacon: Mr. Chairman, that is one of the points I wanted to bring out. To what degree is there co-ordination or overlap with the Dominion Bureau of Statistics? Is this an arm that co-operates with the Dominion Bureau? Is it, in effect, a partnership deal with Ottawa in the provision of these data?

Hon. Mr. McKeough: I am assured that there is no overlap and there is a very high degree of co-operation. The officials talk to each other, if not daily, certainly weekly, and are continually sorting out to make sure that each is doing what he should be doing and not overlapping. There is a high degree of co-operation.

Item 2 agreed to.

Mr. Chairman: Item 3, systems and programming. Anything under that item?

Item 3 agreed to.

Mr. Chairman: Item 4, economic analysis. The hon. member for Waterloo North.

Mr. E. R. Good (Waterloo North): We can only assume that the economic analysis carried out by The Department of Treasury has a great deal to do with the total and

final usefulness or otherwise of the regional development of our province. The Treasurer is shaking his head, "no."

Consequently, what I was concerned with here is to ask what new areas or what new avenues of analysis are being done so that the economic procedures within the province as they are developed through the regional development councils—how they are going to, in fact, give us a truer and better pattern of our economic growth throughout the province.

I think it is generally agreed by all in the department that the former regional development which, in fact, was the economic development of the province, has failed. It has failed in that the goals and guidelines as set out by the Treasury Department did not materialize in producing anything of too great a usefulness, either to the province or to the municipalities involved or to the people within the province.

Could the minister briefly outline for us what new thrusts there might be taken now? It has been recognized by the new director of the regional development councils that there has to be a new emphasis on the work within the Treasury department so that the economic development of the province will in fact proceed in a manner different from what it has up to now. We have our regional disparity. We have loans given by the other departments within the government which have affected the economy of the province from one municipality to the other.

The analysis being done here, I presume, would have some bearing on the general economy of the various parts of the province. If the Treasurer could outline briefly for us in what new directions the province is moving toward eliminating some of the problems which have resulted and which found no solution in the past 10 years, through the regional development councils' information which is fed into the Treasury, I would like to hear from him.

Hon. Mr. McKeough: This is a branch that was created to provide economic research service to the policy division and to other government agencies through the development and application of advanced mathematical and statistical techniques of economic analysis.

I must tell the member that much of this is, frankly, over my head. They are working on such things as input-output analysis, econometric studies which the Leader of the Opposition has a great interest in. After that

issue of that Ontario Economic Review, we have discussed back and forth provincial accounts, the relationship with the statistical centre, demographic studies and so on. This is the sort of work which is going on.

Mr. Good: Well, Mr. Chairman—

Hon. Mr. McKeough: I would have to say that there is really very little relationship between it and the regional development programme. Some day we hope to achieve that, but basically what has been worked on is provincial economic analysis. At some point it will be broken down into regions, but not yet.

Mr. Good: Would the minister then say, Mr. Chairman, that they are hoping to ascertain through this department what was not ascertained through the information coming from the bottom up through the regional development council?

Hon. Mr. McKeough: I think basically they are probably two different things. It would be unreasonable to expect, within the regions of the sort of analysis which is going on here, that the models which are being built could be developed locally.

Mr. Chairman: Item 4, economic analysis. This is the item that the hon. leader of the New Democratic Party wanted to speak about. However, in his absence, if there are no other speakers, if there are speakers—

Mr. D. C. MacDonald (York South): Mr. Chairman, I have to tell you that he is presently before the TV cameras outside the door. Economic—

Mr. Chairman: Analysis.

Mr. MacDonald: Analysis. Is there not another form of economic pursuit in another—

Mr. Chairman: Econometric.

Mr. MacDonald: I am sorry.

Mr. Chairman: I regret I shall have to carry the item then.

Shall the item carry? Carried.

Hon. J. Yaremko (Provincial Treasurer): That was called contempt of the House the other day.

Vote 2403 agreed to.

On vote 2404:

Mr. Chairman: Vote 2404, finance programme. Anything under item 1?

Shall item 1 page 322, carry? Carried.

Item 2, finance management. Anything under that programme?

Carried? Carried.

Securities control. The hon. member for York Centre.

Mr. Deacon: Mr. Chairman, I would appreciate the minister explaining what he means under this item of securities control. What sort of programme is involved in that?

Hon. Mr. McKeough: Basically, the vault; safekeeping of securities.

Mr. Deacon: What securities?

Hon. Mr. McKeough: The securities of the government. The registration securities, the blank securities, the redeemed securities.

All the bonds, for example, which would be posted through The Department of Financial and Commercial Affairs, are all kept over in the east corner of the north wing of the Frost Building under lock and key and bars. Some day the member should go over and see it. You are locked in and out, and it is very interesting. It is the vault operation.

Mr. Chairman: Item 3 carried? Carried.

That completes vote 2404.

Mr. Deacon: Mr. Chairman, do we not have an opportunity to discuss the public debt here?

Mr. Chairman: I would not restrict discussion although it is a statutory item and does not need to be voted upon.

Mr. Deacon: I wish to ask the minister—

Mr. Chairman: If the hon. member wishes to comment upon it, he may do so.

Mr. Deacon: First of all, yesterday he mentioned he anticipated there would be \$1 billion of borrowing done by the province this year. I am not sure what the division is between provincial debt and Hydro debt, direct borrowing and Hydro borrowing.

Hon. Mr. McKeough: It is \$600 million potentially. Now Hydro may not go to that amount and we may not, publicly, but the potential is \$600 million for Hydro, \$400 million the amount of the cash deficit for us, which was, to be specific, \$397 million.

Mr. Deacon: Then there are no maturities this year that are coming due? This is net new debt that the minister is talking about when there is \$400,000 of net new borrowing.

In respect to the Hydro borrowing of \$600 million, has Hydro been approached to investigate the possibility of it starting to borrow on its own base—treating Hydro's borrowing in the same way that Consolidated Edison does its borrowing? In other words, you are relieving the province of the burden of a guarantee.

Three years ago I discussed this situation and the possibility of our moving in this direction with some insurance executives individually. They felt that, although everyone in the institution likes to have the provincial guarantee, quite naturally, it would be possible for Hydro to develop a borrowing instrument whereby it could borrow on its own base.

They indicated at that time that they thought it would probably cost Hydro 0.25 per cent to 0.375 per cent more than it now does, but that it also would help the credit rating of the province for its own borrowing. The reason that it would help the province is that the province would then be faced with a total borrowing picture of, for example, this year of \$400 million instead of \$1 billion.

The fact that the rate to the province is dependent to some degree on the volume of the borrowing, would indicate that possibly the province could expect to borrow at a better rate if it did not have the burden of that Hydro guarantee. Would the minister comment on anything that has been done to investigate the possibility of having Ontario Hydro move on its own?

Hon. Mr. McKeough: It has been discussed. The hon. member has used the figure of 0.25 per cent, and we are satisfied that that is a minimum figure that we are told their borrowings would rise if there were not a provincial guarantee. We are told there is no way they could borrow in the United States or probably in Europe without the province actually doing it for them.

We do not think it will add to our credit rating to divorce the Hydro debt from our debt and not guarantee it. The sophisticated investor, in our view, is looking at the total debt of the two in either case.

Mr. Deacon: Mr. Chairman, in view of the fact that the Hydro debt in the past has a provincial guarantee, to that extent it will be a continuing burden upon the total provincial debt position. But I cannot understand the minister saying that it would not have any beneficial effect on the province's

current borrowing, when the province could go to the market and say, "We are requiring \$400 million this year. We are not going to be burdening our guarantee position or our overall debt obligations by another \$600 million of borrowing by Hydro. We are going to gradually relieve ourselves of that burden by having Hydro borrow on its own."

Would the minister not agree that by means of this guarantee the province is depriving its taxpayers, the public at large, of borrowing ability for maybe things that have equal or even greater priority than Hydro has at this time? At the moment he is in fact subsidizing users of Hydro by this guarantee that he is granting?

Hon. Mr. McKeough: I do not agree that we are—I do not think you can separate the thing into two compartments and necessarily improve the credit rating of the province in the process. That is apparently a disagreement between us. In our judgement it would not open up great avenues for the province, for its requirements. On the other hand I have to point out that if all of the \$2 billion for example that Hydro owes were not guaranteed by the province, the 0.25 per cent would amount to something like \$5 million a year, which to the hydro users of the province is not a small amount of money.

I would be more concerned, I think, if we were talking about this kind of a guarantee being given on that amount of money perhaps for universities—though I do not think they can stand on their own two feet—or even for provincial pipelines for example, water pipelines, which are used by a very small segment of the population. It so happens that Ontario Hydro serves 99 per cent of the people of this province, so that the hydro users and the people of the province are about as close to being one and the same group as you would ever achieve.

Mr. Deacon: Mr. Chairman, here I think the minister will agree that the large consumer of hydro, like Union Carbide, or some of these others that are very large consumers of hydro, in their processes in effect are getting a subsidy to a far greater degree than are the ones who are ordinary small consumers. I agree that the \$5 million extra cost would be a substantial one, but in relation to Hydro's total revenue it would not be all that great.

My concern here, Mr. Chairman, is that the province has great problems obtaining

funds, as I understand, for such important matters as water pipelines, and water pipelines and sewage treatment plants, if constructed by the province. Guaranteeing the debt of the Ontario Water Resources Commission would not only permit the development of areas quite remote from the present builtup areas, but would enable us to put in area-wide rates across the province so that we would not have the present shortage of servicemen and have the great discrepancy there is between the price of services in different parts of the province.

But in addition to that, such a corporation as the Ontario Water Resources Commission could develop into another Ontario Hydro and have a sufficient revenue base that in time it might itself be able to borrow without burdening the province with a guarantee.

I suggest to the minister that Consolidated Edison, which is a major utility operating in New York State, does not impede the borrowing power of that state when it goes out to develop and provide service to its consumers. The actual effect on the rates for electricity or power, I am sure, is negligible as a result of allowing it to be independent. I suggest to the minister that when Hydro's borrowings have risen so sharply and are likely to rise at a continuing high rate in the future, that the province should quickly investigate this situation and pursue it.

It was only two or three years ago that Hydro's borrowings were almost identical to those of the province. In recent years they have been climbing quite sharply and they are likely to continue to do so in the future. I think this is going to have a really serious effect on the province's ability to service its other needs. After all, they are not going to be depriving the power users of their ability to get more power by removing this guarantee. I ask the minister to give consideration to the future and the restrictions we are going to place upon ourselves by continuing this Hydro guarantee.

The minister has no comment?

Hon. Mr. McKeough: I might just say that this is one of the matters which the Hydro task force, under COGP, is taking a look at as well.

Mr. Chairman: The member for Brantford.

Mr. M. Makarchuk (Brantford): Mr. Chairman, on the following item, development loans, can the minister indicate—

Mr. Chairman: Perhaps we should stick to this and clear this up first.

Mr. Makarchuk: I am sorry.

Mr. Chairman: The hon. member for Waterloo North, on public debt.

Mr. Good: On the matter of the Hydro planning. I had the occasion to see the prospectus of the last Hydro borrowing of \$100 million in New York State, and one sees that everything is done in the credit of the province; everything was signed by the Treasurer and all the data and fact sheets pertained to the Province of Ontario. So, in fact, anyone buying the Hydro issue would very well know that the Province of Ontario was behind it and gave all the statistical information.

Hon. Mr. McKeough: In actual fact, it is our issue.

Mr. Good: This is what I wanted to ask the Treasurer. How much control in fact does the province have over Hydro when it comes to the type of debenture being issued, the terms, where the borrowing is done and this sort of thing?

Hon. Mr. McKeough: I think the simple answer would be that it is complete control, except that it is worked out. Hydro has a very expert group under its treasurer and these things are worked out together—in partnership, if I could use that term—rather than—

Mr. Good: Duplication of expertise?

Hon. Mr. McKeough: Duplication? No, but it is a cross-check one against the other, and it is very helpful.

Mr. Good: As an example, in 1970 Hydro had one issue late in the fall at a very low interest rate of extendable debentures, I believe. They have never, to my knowledge, had that type of bond before or since. Would the province say to Hydro, "Look, we think instead of putting out this kind of issue you should try this market over here with another type of bond and you would maybe save yourself some money"? How much control does the province have over the type of issue that Hydro is making at a particular time in the money market?

Hon. Mr. McKeough: The vice-chairman behind me keeps muttering "complete control," but it is—

Mr. R. J. Boyer (Muskoka): The member really does not mean that.

Mr. G. Bukator (Niagara Falls): He should get up and speak once in a while. He is the vice-chairman of Hydro.

Hon. Mr. McKeough: Perhaps I should not have interjected that at the moment.

It was a question, I am told, of the market at that time. The advice of the syndicate managers, with which we concurred, was that the market would not accept—I have forgotten the amount of that loan—but would not accept a long-term loan; therefore Hydro had to go into the market on a shorter basis. The bond market has strengthened since that time, and of course yesterday they went for 25 years. Circumstances have varied.

Mr. Good: But with interest rates declining now, would the Treasurer not agree that was a very prudent move at that time and probably should have been repeated?

Hon. Mr. McKeough: Mr. Holmes, the comptroller of finance, sitting in front of me, says all our moves are prudent.

Mr. Chairman: The hon. member for Brantford.

Mr. Makarchuk: Mr. Chairman, under development loans, can the minister indicate under the \$20-million Ontario land acquisition programme if this land is being purchased for OHC, The Department of Lands and Forests? For what purpose is this being purchased?

Hon. Mr. McKeough: Well, the legislation is not yet before the House. Whether it will be introduced between now and when we rise for the summer, I am not sure.

I cannot give all the details offhand because the legislation is not in front of us as yet. Offhand, I would think not in terms of OHC; it has the power in its own Act for land banking. We see this for land banking of other kinds, other than Ontario Housing; in particular for long-term provincial park needs, recreation needs, such things as the parkway belt in the Toronto-centred plan. We have not really thought this through completely yet. What we know is that there has to be a vehicle to purchase land and put it on the shelf until it is needed, if I can put it that way.

Mr. Makarchuk: I take it then that you definitely intend to spend the \$20 million this year?

Hon. Mr. McKeough: Yes. The ideas of my colleagues and the ideas of this House would spend many times that amount.

Mr. Deacon: Mr. Chairman, I ask the minister why it is he feels he has to go ahead with the programme of land banking now? What is the reason for his sense of urgency in this?

Hon. Mr. McKeough: I think the members could recite instances here—I am not sure that this is how it will be paid for, probably not because it has already been purchased. But we do not regard Pêche Island at Windsor as a provincial park; I do not think we will be regarding it as a provincial park. The municipality cannot afford to buy it to develop it at this point in time.

The Parks Integration Board and the government came to the conclusion that it was something we thought should remain in public ownership. We have bought it; frankly, we do not know what we are going to do with it at this point but it is something we feel we should have and it should not have gone into private ownership. There are countless other pieces of property in that same category.

That will not be paid for from the Land Development Acquisition Corporation because it is not operative yet. We will probably pay for that out of the normal Public Works vote or Lands and Forests vote for parks acquisition. In the future I think that is the sort of—the estimates reflect, by and large, what is needed this year rather than what is needed at some point in the future. This, in effect, will be the way to look somewhat ahead.

Mr. Deacon: Mr. Chairman, does the minister agree that there has been a tremendous inflation in land costs, but that the inflation in land costs has been largely as a result of the high cost of cottage properties, the high cost of residential properties rather than for any other purpose?

The high cost has been caused by people forecasting a continued shortage of such residential properties whether for just recreational times or for full-time residential purposes. Based upon that continued shortage and the fact that there has been no recession in the prices of such residential lots, there has been speculation in the purchase of wholesale quantities of land. Would the minister agree with that?

Hon. Mr. McKeough: Yes.

Mr. Deacon: Would the minister not feel that an essential step that the province should be taking now would be that of eliminating the cause of the speculation? Would the minister not feel that an important programme now would be to ensure that there was an oversupply of lots on the market so that there would be a buyer's market? Instead, for 20 years almost, we have had a seller's market.

Hon. Mr. McKeough: You can do that in northern Ontario and you can do it in a great deal of Ontario. The simple fact is that the Crown owns 90 per cent of the land mass of the province. There is no sense talking about that in Bertie township, I say to my friend from Niagara Falls, because we do not own it there and that happens to be, with great respect to the members from the north, where the people of Niagara Falls probably want to go, not to Sudbury, where there is lots of Crown land.

Mr. Deacon: What I am asking about here is whether the minister is planning to buy land for the public good—whether it is for parks or something else. I am not sure, what other projects the minister has in mind here. Is it largely just for recreational purposes that this is allocated?

Hon. Mr. McKeough: No, it could be for the purpose of the regional development programme, for the parkway belt, for simply open space. We could be putting more money into the provincial park land acquisition programme, but by and large the provincial parks are adequately serving in most locales in the province, and quite frankly, Lands and Forests are having a tough time developing the parks with the amount of money which has been available and they do not want to get too far ahead.

We can draw this distinction; to use Pêche Island again as an example, it will not be called a provincial park, it simply happens to be Crown land. And in that way there will not be the continual pressure on the developer which there has been in so many other cases; and which, frankly, we cannot afford to develop at this moment, nor perhaps do we need to in this year, perhaps five years from now or 10 years from now.

Mr. Deacon: I entirely agree with the minister going ahead with purchases in areas where the land prices have not escalated, and where there are no other competitors in the purchasing of the land, where in effect we are not aiding and abetting speculation. What

I am asking the minister for though, is for information as to what approach he is taking with regard, for example, to the acquisition of lands for the parkway belt.

Would it not be important for the province, to institute measures which would reverse and actually completely change the present attitude that land can only go up? And that attitude having been created by our continual encouragement of a seller's market, would the minister not feel that it is important for funds to be directed to correct that imbalance that has occurred and has therefore caused such a high price to prevail in areas such as the parkway belt that the minister is interested in purchasing land in? Would the minister have any comments on that?

Hon. Mr. McKeough: No.

Mr. Deacon: Surely the minister has some views as to what the province's policy is going to be?

Hon. Mr. McKeough: Well, the views that I might express I would have expressed in the former department, not in this department. I think, with great respect, Mr. Chairman, we are wandering away from the statutory items which we really do not discuss.

In any case, we are discussing a statutory item which is not yet even a statutory item, and we are away over into community planning, and the member is desperately trying to get back to his ideas about sewer and water pipelines and serviced land which he raises under The Department of Municipal Affairs or The Department of Energy, but not in this department.

Mr. Deacon: Well, perhaps I am in that area to some degree, but I am still concerned about the province setting aside funds and proceeding to purchase land in competition with other speculators, rather than setting the funds aside, or utilizing funds only where there is not speculation in the land at this time, and taking measures in other ways to correct the land speculation situation in the parkway belt region.

Surely the minister has some plan so that we will not be aiding and abetting speculation in the parkway belt or in these other areas where the minister suggested monies in this vote would be used?

Mr. Chairman: I think the minister has replied to the hon. member's comments which are somewhat out of the area of this particular item.

Mr. Bukator: Mr. Chairman, may I ask a question of the minister?

Mr. Chairman: Yes.

Mr. Bukator: The Hydro Electric Power Commission functions and operates under an Act of its own. I realize they use the credit of the province to borrow money for the reasons that the minister just a few moments ago related to this House. Maybe the minister cannot answer this question, and I would not condemn him if he could not because of the short time that he has held this portfolio, but just how does the Hydro come about with the Treasury to sit down and discuss the borrowing of money, and do they have to, other than through courtesy?

Do they not have the right, through the Act, to borrow all the money they want except in one area and that is use the credit of the province to borrow the money? Is that not as far as it goes? And yet they do sit with you, Mr. Minister, I understand, with your department, to discuss their programme in the future. I would like to know if they do this through courtesy or is it by some particular statute that I am not acquainted with?

Hon. Mr. McKeough: The Power Act, or The Hydro Commission Act, whichever one it is—The Power Act, Mr. Holmes says—gives them approval to borrow, you are quite correct, but with the approval of the Lieutenant-Governor-in-Council.

Mr. Bukator: They do have to have the approval of the Lieutenant Governor?

Hon. Mr. McKeough: Not necessarily the guarantee but the approval.

Mr. Bukator: Let me ask you another question, through the Chairman. Does the minister not believe that Sir Adam Beck, away back when—you have studied this problem, I am sure—persuaded the Legislature to give him unlimited powers and it was never meant to be that way as I read the history of Hydro? Would it not be good business for the legislators to be able to question not the operation of Hydro, but their expenditures, and I think in certain areas with the legislators asking questions of the Hydro. They have the supreme power to spend their money as they wish.

They have the right to raise their rates when they feel that they should. They have no one to be responsible to when they do these things and yet there are other companies, such as Bell Telephone and the gas

company, that come to the province, especially the gas company, before a rate increase comes about to get the approval of this government.

Would you not believe that a minister should have a little more authority, you or some other minister, to be able to bring this to the Legislature and that we, in turn, should be able to scrutinize a little closer than we do? I think that they have more power than one commission should have and that is not the first time I have made that statement. Just how does the minister feel about that?

Hon. Mr. McKeough: I would agree somewhat with the member. I do not know that much about the history of Hydro. I recall the member for London North (Mr. Roberts), the then Prime Minister, saying, I think, as recently as six months ago, how things have changed in the nine years that he led the government—that nine years ago if anyone had suggested what the member has just suggested—which I might agree with—there was an outcry from the whole province that this was political interference with Hydro which Adam Beck set up not to be interfered with.

In terms of the amount of money which they require today—in terms of the impact—I think we have to examine the relationship somewhat between this Legislature, the government, and Ontario Hydro and of course, the part owners, the municipalities, whatever that may mean, and I do not think anybody really knows today. Then, I would say that there are, in some ways, the sort of things that the Task Force Hydro in the Committee on Government Productivity is taking a look at.

Mr. Bukator: May I just make one more point and then I will go on about my business. The Minister of Energy and Resources Management did set up this task force and I believe the government has to look into a bit of the operation of Hydro. It may be a little later than I would have had them do that, but I think it is about time we and the people of the province had an opportunity to look at their activity.

I condemn no one. Believe me, I have the greatest respect for the chairman of the Hydro, but I think that he should be responsible to us, as legislators, because we do represent the people in this province.

Mr. Good: Mr. Chairman, I have a few short questions. The capital aid corporation, the education and the university—

Mr. Chairman: What vote?

Mr. Good: This is under 2404.

Mr. Chairman: What is the hon. member talking about?

Mr. Good: This is under 2404. The public debt portion. We are still discussing the public debt portion?

Mr. Chairman: No, we are on to the development. I specifically asked if there was anything further on the public debt portion. We are up to development now.

Mr. Good: I am sorry, it is development loans. I said public debt, I meant development loans.

The Education Capital Aid Corporation and the Universities Capital Aid Corporation—are both county school boards and universities paying the province the same rate of interest on these loans?

Hon. Mr. McKeough: Yes, exactly.

Mr. Good: And is it still the policy to round out the federal—

Hon. Mr. McKeough: Yes.

Mr. Good:—rate to the nearest quarter per cent?

Hon. Mr. McKeough: Yes.

Mr. Good: Is it done quarterly?

Hon. Mr. McKeough: On a monthly basis.

Mr. Good: Now in contrast to that, the Ontario Municipal Improvement Corporation, what is their interest compared with the school boards and education aid?

Hon. Mr. McKeough: OMIC is 8.8 right now. It is kept about a half point higher.

Mr. Good: Why?

Hon. Mr. McKeough: Why?

Mr. Good: It is the same money, is it not? Federal money?

Hon. Mr. McKeough: No, no. The federal money is all used up between the education capital aid and the universities capital aid.

Although we have undertaken to purchase anything from any municipality under 20,000, we are not anxious to move into that market completely. There is still a municipal bond market and we try and keep our rate about a half point above the provincial rates,

which puts it in line with what a good municipal credit can borrow a little more cheaply on the open market normally, than they can from OMIC and we are trying to keep that balance.

Mr. Good: Mr. Chairman, is the population of the municipality the only basis on which the loan is made, or does the minister look at the past credit performance of the municipality? As I say, many municipalities under 20,000 had difficulty selling their debentures in years gone by.

Hon. Mr. McKeough: Under 20,000, we do not look at the purposes.

Mr. Good: The minister does not?

Hon. Mr. McKeough: But we could not care whether it is for a swimming pool, a sewage system or whatever is needed; it is entirely their determination, subject to the availability of funds. Quite frankly, it might be a good point to say that \$8 million to \$9 million, I think, was used last year, and we expect it might go considerably higher than that. Many of the smaller municipalities are still able to call on the money that is in the people's socks at a very favourable rate of interest and the demands on OMIC have not been as great as we thought they would be.

Mr. Good: One further question, Mr. Chairman, which I am sure the Treasurer can answer, although it may be a little out of context. Who finances the money under the OWRC vote, where the Ontario Water Resources Commission, I think, has about \$50 million for construction costs? Is that money that OWRC borrows from the province and lends to the municipalities?

Hon. Mr. McKeough: Yes.

Mr. Good: Where is that in this vote?

Hon. Mr. McKeough: It is in loans and advances. It is under the Minister of Energy and Resources Management's votes. He gets it from us, but—

Mr. Good: He gets it from the Treasurer?

Hon. Mr. McKeough: Yes, but the statutory appropriation is shown on—

Mr. Good: Yes, I have that on page 86.

Hon. Mr. McKeough: Right.

Mr. Good: What I would like—

Hon. Mr. McKeough: That \$50 million or the amount that—

Mr. Good: Yes. And what interest does the Treasury department charge OWRC on that?

Hon. Mr. McKeough: About an eighth over our cost, being the servicing of it. It varies; it is rounded, but it is roughly an eighth over the cost of money to the province at any given point in time.

Mr. Good: Yes, Mr. Chairman, but the Treasurer has not borrowed any money for 2½ years. How does he determine the cost on a long-term investment?

Hon. Mr. McKeough: But it is related to Hydro's rate and our rate. There is in effect an Ontario cost of borrowing money, which really is determinable any day by looking at the Globe and Mail in the morning. We can figure roughly what it would cost us if we did go to the market.

Mr. Good: Thank you.

Mr. Deacon: Mr. Chairman, one final question—

Hon. Mr. McKeough: It is not a very precise thing, but it is precise enough.

Mr. Deacon: What has been the trend in OMIC borrowing over the last three or four years? Has it stayed relatively stable or has it been rising? What actual borrowing has been taken advantage of by the municipalities?

Hon. Mr. McKeough: In 1968 it was \$3.5 million; in 1969 it was \$2.7 million; in 1970 it was \$5.2 million; in 1971 it was \$6.2 million; and in 1972 we are estimating, which is probably less than shows here, about \$8.1 million. We show here \$10 million.

Oh, I am told there is some roll over in this \$10 million.

Mr. Chairman: The hon. member for York South.

Mr. MacDonald: Mr. Chairman, one of the studies done for the Smith committee on taxation, I believe, was by Professor Barber; he did some reassessment of provincial government role in fiscal policy. I will not go into that, but he had some comments that caught my fancy with regard to the higher differential in interest rates that traditionally have to be faced by provinces, including a province the size of Ontario, as compared, for example, with the federal government's borrowing.

The explanation seems to be that because of the operation in the market by the Bank

of Canada, which deals exclusively in federal bonds, they have got a more marketable bond and therefore the money can be secured at a lower interest rate. I think I am correct in saying that the margin is approximately one-half of one per cent now on borrowings? Am I correct?

Hon. Mr. McKeough: Mr. Holmes says right now it is about nine-tenths of a point.

Mr. MacDonald: Nine-tenths?

Hon. Mr. McKeough: Nine-tenths of one per cent. Closer to one per cent right now.

Mr. MacDonald: Closer to one per cent. If one takes into account the amount of money that is borrowed by the Province of Ontario, either directly or through such major agencies as Hydro, nine-tenths of one per cent in interest adds up to a fairly sizable amount of money.

I am wondering if the provincial Treasurer and his department have examined how we might break out of this traditional approach? As a matter of fact the investment world, I suspect, is about as hidebound and as conservative in its approach as any sector of our economy or of our society. It seems to me that the Province of Ontario is just as secure a credit risk as the Dominion of Canada and therefore there is really no justification, other than these traditional attitudes for a differential of nine-tenths of a per cent.

Has the provincial Treasurer studied this problem? For example, has he raised it with the consortium of investment houses that are brought together for the handling of his bond issues to see if there are not ways and means by which he could break out of that traditional approach?

For example has this, the largest province, ever made approaches to the Bank of Canada to see if the Bank of Canada's dealings in the bond market could not be extended to include provincial bonds, so that you would eliminate that inhibition which apparently helps to create the differential in interest?

Hon. Mr. McKeough: I am glad the hon. member asked that last question. It just so happens that on June 7 I wrote to the Minister of Finance. As background to that we have raised the points directly with the Bank of Canada over the last four years I am told. On June 7 I did write to the Minister of Finance. I will put this letter on the record.

We have exchanged correspondence on the question of foreign borrowing—

That is what precipitated this.

—and your desire that we carry out our future borrowing on the Canadian market. Your request was received with great interest here because it opens up several questions regarding the better co-ordination of fiscal policy in this country.

I understand that your letter of April 22 to all provincial Treasurers was discussed at a meeting of the continuing committee on fiscal and economic matters held in Ottawa on April 28 and 29. Mr. Reisman, the Deputy Minister of Finance, has undoubtedly reported to you that my deputy minister, Mr. Macdonald, outlined a number of our views on this question and it was agreed that a reaction to his suggestions would be forthcoming from your people.

Perhaps I might take this opportunity to repeat some of these views and ask for your opinion on our suggestions.

First of all, of course, I should express to you our strong concern about the impact of the current value of the dollar on economic activity in this country and in particular on those manufacturing industries which compete with foreign manufactured goods in the Canadian or external markets. As I indicated in my budget address, I believe that it should be a matter of high priority for governments to take positive action to force down the exchange value of the Canadian dollar. It would appear to me that action to achieve this end lies largely within the power of the federal government.

With regard to your request that the province do its borrowing in Canada, we have run up against a conflict of opinion between your apparent view of the availability of Canadian capital and that of the managers of our investment syndicates. We have expressed to them over several months our strong preference to borrow in the Canadian market if at all feasible. They in turn have indicated to us in no uncertain terms that the Canadian market is not sufficient to meet all the needs of the Ontario government and Ontario Hydro, which potentially could reach as much as \$1 billion this year, or at least not without an adverse effect on interest rates and, correspondingly, a deterioration in the credit rating of the province.

We have also been told that if all borrowing on behalf of Ontario and Ontario Hydro were to be done in Canada,

sufficient capital would almost certainly not remain for other provinces or municipalities, except at a substantial increase in cost. Private sector borrowing ability would undoubtedly deteriorate as well. It was this advice that prompted us to borrow on behalf of Hydro in April in the United States although, as you know, that decision was delayed and conditions were applied to it so that the proceeds of the issue would not be converted into Canadian dollars.

My deputy minister suggested at the meeting last month that it might be very useful if a better co-ordination of provincial and federal borrowing could be achieved through any of the following possible measures:

(a) Bank of Canada backing for provincial issues, which would involve a more orderly scheduling of public borrowing;

(b) Deferral of federal borrowing in Canada to permit greater access by provincial governments;

(c) The creation of a group which would include representatives of the Bank of Canada, The Department of Finance and provincial Treasury Departments to discuss forthcoming issues, and insofar as practicable, schedule borrowing;

(d) The calling of a meeting of federal and provincial ministers and officials concerned with finance and leaders of the investment community with the aim of achieving some consensus on market capacity and better methods of ensuring that public borrowing is more in line with announced economic and fiscal policies.

I believe that these suggestions are most definitely worth further exploration. I would be very pleased, therefore, to hear your views on these proposals.

Mr. Benson replied yesterday; or at least we received his reply yesterday, perhaps it was Friday. He has asked for further details, and would be pleased to discuss it with us. We have not analysed his reply fully as yet.

Mr. MacDonald: The minister raises two points in my mind. One, I had assumed that there was on-going, or at least periodic consultation between the federal and provincial governments so that you can sort out the need for all levels of government in the money market and see if you cannot resolve some of this problem of the federal government pre-empting the field so that you have

difficulty; and you pre-empting the field so that the municipalities and the private sector have difficulty. If there ever was an area where you wanted some co-operative federalism and co-ordination of policies, this is it.

The letter the minister has just read seems to suggest that my assumption there is an on-going examination of this really is not the case. Am I right or wrong in my assumption?

Hon. Mr. McKeough: I think you are largely right. You have to remember—and this is not being critical of any level of government—when a borrower goes to the market for bonds, it is a matter of great secrecy.

He is not particularly anxious to tell somebody else that a month from now he is going to raise \$100 million because that borrower may put that information together and with two or three other tid-bits, decide he had better get in first. These things are shrouded in great secrecy. In addition, even in the bond market, there is a certain amount of speculation, and fortunes can be made on the change of one-eighth of one per cent in the value of bonds from day to day or hour to hour.

There is this tradition of great secrecy—I think second only to budget secrecy, really—among Ministers of Finance and Treasurers and, for that matter, their respective officials. I suspect, and I think this is what the member for York South is saying, that is not going to be quite good enough. We may have to learn to trust each other and take some of the risks involved in trusting so that we can achieve a greater degree of co-ordination.

This has not been particularly a problem for Ontario for the last three years, of course, because, we have not gone to the market. We have managed our affairs to the extent that we did not go to the market, and we left the market largely free, we hope, for the municipalities who used it to good advantage.

But now that we are back in the market; and the federal government obviously are in as far as they are, or will be during the course of this year; and with the requirements of Hydro; the requirements—I do not think we have to co-ordinate all the municipalities but certainly Metro, the regional municipalities, the very large borrowers—I think we are going to have to take some steps to try to co-ordinate our affairs and our borrowing plans and run the risks which are entailed.

Mr. MacDonald: Let me come back to the second point that was in my mind. I was interested in what the minister read in his

letter to Mr. Benson, but it did not deal explicitly with the point that I raised earlier. It did by implication, but it did not deal explicitly with it namely, the traditional approach.

Apart from all the other factors that may come in to influence the picture at any given period, the traditional differential which results in the province having to suffer, can we not come to grips with that because it seems—

Hon. Mr. McKeough: Well, I think there is no question, and there are two reasons for that. One—the biggest reason in my view—is the Bank of Canada attitude, and secondly, the psychological thing that Canada is always going to have a better rate than one of its constituent parts. You know, if Canada goes broke, the provinces for sure will go broke. It is the same differential really that exists between Ontario and Ontario Hydro, which is very small today—and which I think represents a degree of sophistication among investors, because obviously if Ontario Hydro goes broke, we are broke.

Mr. MacDonald: Right.

Hon. Mr. McKeough: It is completely one and the same. I really think that is true between Canada and a province.

Mr. MacDonald: Right. Particularly the province of Ontario.

Hon. Mr. McKeough: The market is funny this way. Now Ottawa-Carleton, for example, probably has the third best borrowing rate in this province. They call it Ontario and Canada and they come in often even ahead of Metropolitan Toronto, although a critical analysis of their balance sheet would lead one to believe that this is not in as excellent shape financially as Metro is. But it is simply the fact that it is the nation's capital, and some investor or a number of investors think that is just a little bit better bond because we never let Ottawa go broke, or we would let Toronto go broke before we would let Ottawa go broke.

Mr. J. E. Bullbrook (Sarnia): Well, I think you would let Ottawa go broke.

Hon. Mr. McKeough: The city of Ottawa, we are talking about the region of Ottawa-Carleton. It is a psychological thing.

Mr. Bullbrook: I am sorry.

Mr. MacDonald: Well, just let me make a final comment on this. My point to the minister is to plead with him that I think the time has come to tackle these alleged psychological reasons, and let me—if it has not got too provocative overtones—cite to the minister a case which I think proves my point. When the CCF government was elected in 1944 in Saskatchewan, I suspect that there were few provinces whose credit rating was shakier. After all, they just had years of Liberal administration and depression years, and everything of that nature.

The point I want to make is this; that within 10 years, working with a province with the limited means of the Province of Saskatchewan—but with rather competent handling of the finances by an ex-school teacher, namely Clarence Fines—Saskatchewan was brought to a position where the psychological disadvantage was eliminated. So they were able to go to the money markets in New York and borrow money at rates as favourable I believe as any province, including Ontario.

Now, the point I am making is that if a province like Saskatchewan, with all of the alleged psychological problems it had to cope with, could overcome them, I think the province of Ontario—whose credit surely is just as sound as that of the Dominion of Canada—should be able to tackle this problem and eliminate—at least reduce, if not eliminate—a nine-tenths differential; because a nine-tenths differential in the kind of borrowing that we may have to indulge in in the next two or three years is going to add up to a pile of money. And it is worth saving.

Mr. Chairman: Is there anything further on these items?

Vote 2404 agreed to.

On vote 2405:

Mr. Chairman: Vote 2405 is the government accounting programme. Anything under item 1? Carried. Item 2, government accounting services.

Mr. MacDonald: Mr. Chairman, a brief question of the minister. In Ottawa there are monthly statements on receipts and expenditures, and I understand from those who are familiar with these fields and work with these reports regularly, that they are extremely useful. I am wondering if we have not reached that stage of sophistication and development in the Province of Ontario where we might consider monthly statements of receipts and expenditures in our accounts?

Hon. Mr. McKeough: I would be glad to take that under consideration. They are internally produced now, both by the government accounting programme, this section, and also by the auditor. The two things do not necessarily agree so they are a little confusing between the two, but I would be glad to take that under consideration.

Mr. Chairman: Is there anything under item 2—government accounting services?

Hon. Mr. McKeough: If I might just say, on the receipts side they certainly can give some indication of the buoyancy of the economy, and I can see no reason why that information could not be made available outside as well as for internal purposes.

Mr. Chairman: Is there anything under item 2, government accounting services? Carried.

Item 3 is government accounting systems.

Mr. Makarchuk: Mr. Chairman, just a brief comment under that item.

Mr. Chairman: Item 3?

Mr. Makarchuk: Item 3. In the discussions regarding the Provincial Auditor, it seems that the Province of Ontario at the moment does not have any system or means of finding out whether we got value for the money that is spent. It was suggested in committee, and I think it will be suggested in the auditor's duties report that will be going in, that some system should be set up to ensure that the various departments are spending their money wisely. This could be done in many ways. One of the ways is a comparison of what one department would pay for similar goods in relation and comparison to another department. I just wonder what the minister feels on that particular subject?

Hon. Mr. McKeough: PPB, programming, planning and budgeting really does not fall under here.

Mr. Chairman: Is there anything under item 3? Carried.

Item 4 is the government banking and cheque-writing services. Any comments? The hon. member for Essex South.

Mr. D. A. Paterson (Essex South): Mr. Chairman, if I may ask a question in this regard. During the past few months I have had occasion to find that certain cheques have been issued by various departments and were being held up at Treasury. These are,

let us say, for property tax rebates or farm gasoline tax rebates, and they are held up there for weeks. Are they being held because of lack of funds pouring into the province in order to honour them or is it just the mechanics of getting them through?

Hon. Mr. McKeough: It is the mechanics of pre-audit really, and this is one of the things we will get away from as we switch to post-audit. I am not sure that we are going to see anything dramatic because on the one hand we will be taking the auditor out of that step which has perhaps held up the cheques for—Mr. Spence would shoot me if he were here—but we think it is perhaps two or three days on the average, something like that. We eliminate that holdup.

On the other hand, we fully expect that in a number of departments the accountants and the paying officers are not going to be quite as quick to requisition the funds as perhaps they have been in the past because they are going to have to prove to their satisfaction, before they send it on, that it is a proper expenditure. So some cheques may come out a little faster; some, I think, may be a little bit slower. It is going to take some time.

Mr. Paterson: Therefore, we should not expect overnight service and should inform our constituents accordingly.

Hon. Mr. McKeough: No. We are—

Mr. Paterson: In the fullness of time, I guess.

Hon. Mr. McKeough: We are pretty proud of our paying record. It is—what—an average of 45 calendar days. It can be improved and we think eliminating the pre-audit will do something for this in the long run but not overnight.

Mr. Chairman: Item 4 carried? We will move to vote 2406, which is the government benefit plans programme.

Vote 2405 agreed to.

On vote 2406:

Mr. Chairman: Item 1, government pension funds, any comment?

Mr. MacDonald: Mr. Chairman, a general comment on this. I want to come back again to press the case, without belabouring it, of the investment of moneys in government pension plans at interest rates that are far below the current available rates and what

justification a government which is a trustee of the savings of its own employees can advance for tolerating the kind of low interest rates. We find this issue being raised in reference to the firemen and the policemen and at the municipal level.

Hon. Mr. McKeough: There is a difference.

Mr. MacDonald: Why is it different?

Hon. Mr. McKeough: Well, because the firemen and the policemen do in fact depend—their ultimate pension will depend under OMERS or under a private plan—actually do depend on the amount of interest which is being paid into that fund and how well the money is invested. With the Provincial civil servant, public servant, it really does not matter whether the money is invested at all. It could be in the vault on the ground floor of the Frost Building; it would not be wise from my point of view.

But the simple fact is that we guarantee that they will receive X number of dollars of pension according to the formula. It is X percentage really—which works out to dollars—and whether we mismanage the money in the process, we still make that guarantee that they will receive their pension. The firemen and the policemen, do depend on how well the money is managed.

The same thing is true of the legislative retirement fund which both you and I pay into. We are guaranteed a pension and whether the Treasurer of Ontario, as the trustee of that fund, is investing it terribly wisely or well, is secondary; the pension will come out.

Mr. MacDonald: No, but the logic of the minister's argument escapes me a bit. What in effect he is saying is that the pensioners need not worry because they are going to be paid in accordance with the fund and therefore if you mismanage it, or do not invest it at the maximum interest rate available, you do not need to worry because it is guaranteed and the fund will be supplemented but it seems to me that begs the point I am raising. If the money could be invested elsewhere and increase the returns to the pension fund—

Hon. Mr. McKeough: You would be increasing the returns to me as Treasurer, not to the pension fund. If I took this money out, which is in the public service superannuation fund, which is now at five per cent and which you will see by the Act—and in an accounting sense the argument is correct

—you will see by the amendment to the Act that we propose to remove the interest rate, put it in regulations and we will be boosting it to at least six, perhaps something more—we do not know yet but we should have that flexibility. But if we took it all out, perish the thought, out of the Treasurer's hands and invested it in mortgages at the Crown Trust, at 10 per cent or $9\frac{1}{2}$, the profit, if you like, that we made on that would all come to the Treasurer of Ontario and not one penny of it would find its way into the pension fund. The two things really are not related except that every three years the actuary says, "Are you putting enough money into that fund?"

There are two ways you can put money into the fund; one way is by the annual payment, contributions from the employer. As you know, that fund was unsound actuarially, so as a bookkeeping entry really we are putting in an extra, what, \$10 million a year, \$14 million a year, to bring it up. The other way of doing it: If we raise the interest from five to six per cent, for example, I think it is fair to say, or let us hypothetically say we will not have to put in the \$14 million because the interest which will be earned will actuarially pay the pensions which have been agreed upon.

Mr. Chairman: Item 1 carried.

Item 2 agreed to.

Vote 2406 agreed to.

On vote 2407:

Mr. Chairman: The member for Kitchener.

Mr. J. R. Breithaupt (Kitchener): On this vote, I would be interested in knowing the departments which are actually provided with facilities by the computer service centre. I had noted at the meetings of the public accounts committee that, in the reviews that we have had with the Committee on Government Productivity, several discussions were held with members of the staff of the committee concerning certain changes in the statistical services, and also in the data processing services within the provincial government.

It seems to me that there is presently an ongoing programme to change the balance of the various services and to ensure that there is no untoward duplication. I am wondering if the minister can tell us the departments which are receiving these facilities and those departments which have their own facilities and are not serviced under this programme?

Hon. Mr. McKeough: Highways and Transport (which were two, now one) HIRB, and Education are the ones which have their own computers and do not use the central computer. There are five major users, or there have been, of the central computer: Treasury and Economics, Revenue, Municipal Affairs, Labour, and Lands and Forests. I say, "there have been" because Revenue are in the process of switching over to the Highways computer, the one at Downsview as opposed to the one down here. I can give the member the figures of use from other departments. These are the estimated figures for this year and they do not vary that much, but I will give them to the member that way: Agriculture and Food, 32,000; Energy, 25,000; Financial and Commercial Affairs, 3,000; Labour 138,000; Lands and Forests, 124,000; Mines, 8,000; Municipal Affairs, 38,000; Public Works 1,000; Revenue, 489,000 and that will of course, change; Tourism, 22,000; Trade and Development, 24,000; Ontario Housing, 104,000; Treasury and Economics, 456,000; Treasury Board, 4,000; for a total of 1,468,000.

I think it is fair to say that in some ways those are guesses based on past experience, but the use by the departments does vary from time to time, particularly the smaller ones.

Mr. Breithaupt: And these particular charges then, are reflected within the budget of the particular department?

Hon. Mr. McKeough: Yes. This is, in effect, a zero budget except that we do allow a float of \$250,000. So if the charges are—if managers do not do a good job and collect every last penny from the other departments they have got \$250,000 to play around with.

Mr. Breithaupt: So that is approximately one sixth of the total servicing?

Hon. Mr. McKeough: Yes, that is right.

Mr. Chairman: Vote 2407? The member for York South.

Mr. MacDonald: In that epochal speech of the minister's to the Financial Executives Institute on March 9 he indicated that in the last five years:

We have saved—in the sense of having, through careful scrutiny, prevented the inefficient use of data processing equipment and the introduction of less than adequate data systems—something like \$6.5 million.

Could he elaborate on exactly what was done? Is that the pooling of equipment among various departments?

Hon. Mr. McKeough: Yes, there is very tight control by the computer services programme here, in the use of their shared facility monitored in turn by the Treasury Board ADP branch, who keep an eye on this computer and on the other computers, provide advice to all government departments and agencies as to what computer they might or might not lease or buy, whether they should be in this programme in the shared facility, whether they can really justify their own, and making sure, insofar as possible, that all our computers are being worked literally 24 hours a day, which is what you try to achieve when you lease a computer. Is that correct? They are getting Friday off though, or Thursday off. Sundays they have off. But really, that is where the saving has occurred to make sure that there has been that kind of utilization.

I think it is fair to say we are still not satisfied. COGP have, really, a separate study under way on the use of computers. There is always the question as to whether the government should not buy one great big computer. You know, there are the economies of scale, but I think it is fair to say that there is really no one you can compare us with if we folded up all of our little computers—which are not so little—and bought one big one. That is an enormous step which is, perhaps, facing us, as I understand it—this really comes under the ADP branch and secretariat—some time in the next two or three years. And we are waiting for the advice from COGP on that score particularly.

Mr. MacDonald: Having analysed some of the alleged savings that the minister contended had been made in that speech of his, I am wondering how much of a ballpark figure this \$6.5 million is? I do not want to pursue it for any great length of time, but forgive me for my doubts, or my wonderings as to how much of a ballpark figure it is.

Hon. Mr. McKeough: I think we can analyse the computer part of that rather well. I will be glad to dig those figures out and explain the rationale of that. I think there was one.

Mr. Chairman: Vote 2407, the member for Kitchener.

Mr. Breithaupt: Just another comment, Mr. Chairman. I was interested, of course, in reviewing the initial comments in Interim Report No. 1 of the Committee on Government Productivity. On page 13 there are some comments with respect to automatic data processing. I am wondering if the minister can elaborate as to how the in-depth review of the use of ADP by Health, Lands and Forests, and Municipal Affairs has been progressing? It would appear that some six months now have gone by since this report was received. We should expect to have some basic development in the second sub-project of the two that were planned by this committee.

Hon. Mr. McKeough: I think we should leave this for the secretariat vote and the COGP portion. I will have the right people here. Mr. MacDonald is a member of the COGP. He tells me that there is a report in front of the COGP now. A progress report carrying out some of what was recommended in that particular recommendation to the COGP.

Vote 2407 agreed to.

On vote 2408:

Mr. Chairman: On vote 2408: The member for York South.

Mr. MacDonald: Mr. Chairman, would the minister indicate how many plans are now registered with the pension commission? If possible, how much funding do they now represent? Thirdly, with regard to the commission, have there been any changes in the personnel and when can we expect another report? Have I missed a recent report?

Hon. Mr. McKeough: There are 8,500 plans which are registered. We are not sure of the amount of money. As for the member's last question, the present chairman of the commission is the now Minister of Labour (Mr. Carton), and if the member can hold his breath until tomorrow, the minister will be replaced, I think, tomorrow by a new chairman.

Quite frankly, I would have to indicate my almost complete ignorance of this area. The pension commission, to my knowledge, is working very well. They do not meet, I think it is fair to say, all that often. Every two weeks? They seem to resolve their problems very well and they have not bothered the minister at all during this time. There was a great flurry of activity, of course, when the bill came in and that has

died down somewhat. Then there were amendments to the Act two years ago—and I remember the now Minister of Labour really took those amendments through the House. But I can honestly say I have not been bothered in the four months by one particular problem relating to the pension commission.

Mr. MacDonald: I assume that the guidelines have now been very firmly laid down as to—

Hon. Mr. McKeough: Yes.

Mr. MacDonald:—investments and things of that nature. Would I be correct in assuming that there is a constant review of the situation by accountants or auditors or somebody apart from the pension commission and therefore that they really are just a supervisory group that meets periodically to see if some trouble has not broken out in some areas?

Hon. Mr. McKeough: Plans are all reviewed, I am told, by the staff itself, by the actuarial department of the Treasury Board Secretariat and then with outside advice that is needed. How often?

Mr. MacDonald: How sizable is the staff?

Hon. Mr. McKeough: The complement is 21. I was asking if there is an annual report of the pension commission. It has not been written yet but it will be available soon.

Mr. MacDonald: For which year are you now thinking?

Hon. Mr. McKeough: For the year ending March 31, 1970. It is not available as yet.

Mr. Makarchuk: On the same point, Mr. Chairman, does the commission keep any record or track of totally company-funded plans where the funds are kept within the company, to find out whether the funds are adequate enough to provide the pension which the company agrees to provide to its employees at the termination or on termination of their employment? The other place where it could be very interesting is where a plant decides to shut down and pays the employees some severance pay, or it may pay no severance pay at all, but then it walks off with the pension plan, completely to the detriment of the employees. Now, does your commission or group—do they have any record of all the employers' pension plans in existence in Ontario?

Hon. Mr. McKeough: As far as we know, every plan in the province is registered, and regardless of whether the funds are kept internally, they all should be registered. The funds, whether they are registered or not, should be kept separately, maintained separately. We do get an annual report attesting, and those reports are gone over each year.

Mr. Makarchuk: In other words, you do an actuarial analysis of the reports to find out whether there is enough money in the funds so that the employees will be able to collect the pension that they are entitled to? There is that kind of actuarial analysis done by your department?

Hon. Mr. McKeough: Yes, it is not done every year on a thorough basis but it is done every third year.

Mr. Makarchuk: On this same point, Mr. Chairman, would you be able to tell us—I ask you specifically—the example I am thinking of is Westinghouse in Brantford which shut down and had a completely company funded pension plan. Would you be in a position to tell me how much money that company had in that pension plan when it shut down?

Hon. Mr. McKeough: Perhaps not on the day that it shut down but we would on the date of their last return to us. Also on the day that they shut down because according to the Act, they have to provide a statement on that day that they shut down, so the answer is, yes.

Mr. Makarchuk: If I wanted to get hold of this information, would I be able to get it?

Hon. Mr. McKeough: Only with my approval.

Mr. Makarchuk: In this case, I will ask the minister. Would you approve that the information be made available to me?

Hon. Mr. McKeough: I think—I would want to think about this. Pension funds, both to the person receiving the pension and both to the company or the person who is responsible for paying them, are, I think, somewhat of a confidential nature. Offhand I can think of no reason why I would not give it to you but I would not want to commit myself to it without thinking about it.

Mr. Makarchuk: Mr. Chairman, you can see the problem that can develop in this case, that it may be in some cases to the advantage

of the company that has accumulated a fairly hefty pension fund to shut down before they start paying out of that fund. They close down and the fund reverts back to the company. The employees may get certain benefits, certain severance allowances, but in terms of straight financial benefits, the company is better off to close down because of these pension funds, and this is where there is the kind of conflict of interest, that I would like to see resolved: whether this is being done in some cases, or it is not being done.

Mr. E. Sargent (Grey-Bruce): Why do you not ask him an easy question?

Hon. Mr. McKeough: I do not think I can answer this off the top of my head. We will look into it and we will get together on it if that is satisfactory.

Mr. Chairman: The member for York South, then.

Mr. MacDonald: May I—this is my ignorance; if the minister professes his ignorance in this field, let me join him—as I understand the Act which we passed a few years ago, at 35 years of age you begin to get a vested interest and at 45 it is complete.

Hon. Mr. McKeough: At 45.

Mr. MacDonald: At 45. Do you mean to say that if a company were to close down, or becomes amalgamated with some other company, all of the money that has gone in on behalf of a pensioner, of an employee, in effect is beyond his control and it is lost to him if he has not got some—

Hon. Mr. McKeough: No, if it is vested it is—

Mr. MacDonald: No, no, no, I am talking about prior to it.

Hon. Mr. McKeough: It is preserved for him.

Mr. MacDonald: But if he has a vested interest in it.

Hon. Mr. McKeough: Well, even if he has not a vested interest he is entitled, as I understand it, under the Act to a minimum of a return of his own contribution, plus some rate of interest. It would depend on the plan. A new plan would be on that basis. An old plan—heaven knows what the rules may have been when it was drawn up.

Mr. Makarchuk: On that same point, what the minister means then is that if the employees have contributed a certain portion of money to the plan, then they have a certain vested right in it because of that legislation that was passed a year or two ago.

Hon. Mr. McKeough: They have a vested right in their own contribution.

Mr. Makarchuk: Right, in their own contribution.

Hon. Mr. McKeough: And after a period of time, and after age 45, they have a vested right in their employer's contribution as well.

Mr. Makarchuk: Right, but if the money was totally contributed on behalf of the employee by the employer, then the employees have absolutely no right to it by legislation right now?

Mr. MacDonald: After 45, yes?

Mr. Makarchuk: Could we have this clarified then? Do the employees have any right to any kind of a pension fund, or pension plan, or pension payments, after the age of 45 or 55, whatever it is, if all the money that was contributed to the fund was contributed by the employer and there were no contributions extracted or taken out of the employees' wages?

Hon. Mr. McKeough: Yes.

Mr. Lewis: What about before 45?

Mr. Makarchuk: I am sorry Mr. Minister, when you said, yes, the company does not necessarily—the employees do not have any right. Is that correct?

Mr. Lewis: No, no, he is saying—

Mr. Bullbrook: His interpretation was correct.

Mr. Lewis: Was it?

Mr. Bullbrook: He said, yes, they do.

Hon. Mr. McKeough: If the plan was wound up, then the answer is, yes, whether he is under or over 45, or whether it is vested fully or not. If he simply—

Mr. Lewis: Yes to what? I am sorry.

Hon. Mr. McKeough: Yes, it is vested in him—let me start at the beginning. Even though he has contributed nothing himself, and it has all been contributed by the employer, as I understand it if the company

wound up, and therefore the plan wound up as of tomorrow, he would be entitled even though he did not have 10 years' service and was not 45, he would be entitled to the fully vested portion.

Mr. Bullbrook: What if his job unilaterally wound up, not the company winding up? I think this is the essential aspect of the query that we are undertaking. Is it not?

Hon. Mr. McKeough: As I understand it, the unit entirely has to wind up, not just a segment of it. If they close down a department of that particular factory we will say, or industry, then that is not a complete winding up of the affairs of the company.

Mr. Bullbrook: The minister can see then—and perhaps I usurp a continuancy by the member for Brantford and his leader. The minister can see obvious deficiencies right in this concept because if he has a separate bargaining unit and they bargain for a total employer contribution plan at General Motors in Oshawa and, heaven forbid, they close down that institution, and they continue to operate elsewhere in the Dominion of Canada—for that matter, the United States of America, as I understand—the present protection to the employees is completely nothing. Nothing whatever.

Mr. Sargent: That is right.

Mr. Bullbrook: We have got to do something about that.

Mr. Chairman: The member for Grey-Bruce. Oh, I am sorry, the member for Brantford wishes to pursue his question.

Mr. Makarchuk: Yes, on the same point, I would like some clarification. Can the minister give us some clarification at this time to the effect that—in this case again I am referring to Westinghouse. If Westinghouse continues to operate in Canada—it has a plant say, in Hamilton, but it closes, it winds up completely, totally, its operation in Brantford, then, from what I understand, the employees in Brantford do not have any right whatsoever to any kind of a pension plan?

Hon. Mr. McKeough: We would have to look at the plan before we can answer that question.

Mr. Bullbrook: Then could we possibly, since there is obviously some degree of sympathetic sensitivity in this connection by the minister, could we possibly look forward to

some type of information to the House, either individually to the member for Brantford, and since I have expressed some concern—

Hon. Mr. McKeough: I have already said that.

Mr. Bullbrook: —because it seems to me obviously inequitable that a company can build up a significant equity position relative to Employee A at the City of Oshawa in a total pension plan, and then, in effect, that equity position can be completely wiped out as far as that employee is concerned. I think probably we have a responsibility carried forward from the legislative point of view, something to protect the public here.

Mr. C. G. Pilkey (Oshawa): A question of the minister. Is there any legislation that provides a sense of right for employees?

Mr. Sargent: Mr. Chairman.

Mr. Chairman: The member for Oshawa—

Mr. Sargent: Mr. Chairman has called me twice now. This is the third time.

Mr. Chairman: The member for Oshawa is pursuing exactly the same question.

Mr. MacDonald: Is the member for Grey-Bruce on this topic?

Mr. Sargent: I would hope to be.

Mr. Pilkey: All right. I yield to the senator for Owen Sound.

Mr. Chairman: The member for Grey-Bruce.

Mr. Sargent: I would like to ask the minister—first of all, Senator Javits in New York State has launched a nationwide investigation into pension plans claiming that many millions of Americans will lose billions of dollars in the U.S. pension plans across the nation because of the lack of equity in the plans. First of all, does the minister know how many millions of dollars, or billions of dollars, are in pension plans in Ontario?

Hon. Mr. McKeough: No.

Mr. Sargent: The minister does not know that? How then can he supervise the job if he does not know that?

Hon. Mr. McKeough: We know for each plan but I do not think we have ever totalled up the 8,500 plans.

Mr. Sargent: I would say then that the first thing the minister should do is find out. Obviously, Mr. Chairman, the minister does not know very much about this and I agree that he would not necessarily have to know if he had the people to tell him. The thing I am concerned about is that there might be a million people in this province who are involved in pension plans, but who, when pay-day comes, have no equity in the plan. My colleague from Sarnia—

Hon. Mr. McKeough: That is exactly what we have been discussing, I think, under the kind of supervision given by the pension commission. That situation could not happen. It could be said that Senator Javits is probably issuing a call for legislation which we have had here in the province of opportunity and good government for eight years.

Mr. Sargent: It would seem then that if what the minister says is true—which I cannot believe, because he has to ask the boys in front of him everything he knows. So he does not know much about it. The minister does not even know how much is involved in pensions in Ontario.

Hon. Mr. McKeough: There is no need to know.

Mr. Sargent: There is no need to know. So we are spending \$229,000 in supervision.

Hon. Mr. McKeough: —to look at individual plans. There is no necessity to total them.

Mr. Sargent: All right. Then does the minister have the power to go in and look at a pension plan, to investigate the equity of all of the people in that plan, and the probability that they will get something out of it? The majority of people in the United States to the south of us—there are millions of people, when they leave they have nothing left of their equity. Nothing is left at all. Does the minister have the power to go into a plant and say—

Hon. Mr. McKeough: Yes.

Mr. Sargent: The minister has the powers to say—

Hon. Mr. McKeough: Yes.

Mr. Sargent: —to make them change it?

Hon. Mr. McKeough: Yes.

Mr. Sargent: To rewrite the plan?

Hon. Mr. McKeough: Yes. Well, to rewrite it means having to conform to the pension benefits legislation.

Mr. Boyer: We are away ahead of the United States.

Mr. Sargent: Not in ministers, you are not.

Mr. Chairman: The member for Oshawa.

Mr. Pilkey: Mr. Chairman, as I understand the pension legislation in the Province of Ontario a company or corporation has 15 years to totally fund the plan, that is by legislation.

The problem that arises is that an employee may be part of that pension programme and as a result of that plant closing out or his employment being terminated, he then has no vested rights in the plan. He is just laid off and the rights he has accumulated are gone.

Let me tell you what happens under most collective bargaining agreements particularly in the auto industry. The fellow has to have 10 years seniority. Once he accumulates 10 years he has a vested right in the plan and previous to that number of collective bargaining agreements, he had to be 45 years of age and have 10 years. Well, in a lot of agreements that has been eliminated now and there is no year stipulation at all that you get vested rights at the time you get 10 years.

There are some collective bargaining agreements in the Province of Ontario where five years give you vested rights in the plan but I just happen to think—

Mr. Sargent: Not too many though, not too many of them have them.

Mr. Pilkey: No, you are right, not too many but there are a few. But what we really need in this province is legislation that gives an employee vested rights in the plan if that corporation is phasing the operation out or where there is a permanent layoff of that employee. If he had a vested right in the plan, it appears to me that we would be providing in essence some portability in the pension scheme itself. He accumulates five years in plant A, 10 years in plant B, another five in plant C—he accumulates pensions from all these sources and he builds them up.

Mr. Breithaupt: Portability in essence.

Mr. Pilkey: Well, it is, in essence; it could be portability. Though he has accumulated a pension in each industry, it is vested and when he gets to age 60 or 65 or whatever the

age may be that he can get his pension, he would make application for it and it would be available to him.

The other way obviously is to provide portability itself, to make it mandatory that it goes into a central fund; therefore, it would be a portable type of pension the same as we have under the Canada Pension Plan.

Mr. Sargent: Do not talk to me, talk to him. I agree with the member.

Mr. Pilkey: Oh, I am sorry. But it appears to me there are a number of avenues that could be explored by this government to give the workers the kind of protection that is necessary at this point in time. Let me put it this way to the minister: Where there are collective bargaining agreements, then the workers have some protection. I am not suggesting every one of them are protected, but by the same token only one-third of the workers in this province are organized. I submit to the minister that two-thirds of the workers in this province, where there are pension plans, are vulnerable to the corporations. They will phase it out, lay them off and the employees will receive exactly nothing.

Mr. Bullbrook: But they are vulnerable whether they are organized or not.

Mr. Pilkey: Well I say this to the member for Sarnia: In a lot of collective bargaining agreements there are vested rights irrespective of age; they can pick them up at the time they retire, and it is usually spelled out at what age they can pick them up or when they are eligible for the pension. But I agree that even in some organized jurisdictions in the Province of Ontario they are at the mercy of that employer and they lose those rights. The government should investigate this whole problem and provide legislation that makes it equitable for every employee right across the province.

Mr. Chairman: The member for Brantford.

Mr. Makarchuk: Mr. Chairman I am not sure that this is happening in Canada at the moment, but in the United States in some cases of corporate takeover, the corporate takeover was based on the fact that the company had a very healthy sum of money in its pension fund. What happened is that a company would be taken over, and of course functions or operations of the pension plan would be terminated and the money then picked up by the new group. The

money would come out of the pension fund, and of course, the employees would end up with very little or nothing at all. Again I just wondered if some supervision is done by the Ontario Pension Commission to ensure similar situations do not develop in Canada, or in Ontario particularly, at the present time.

Hon. Mr. McKeough: They have not, and should not. There can be no guarantee under the legislation, but the legislation is designed so that sort of thing will not happen. Whether there is some loophole in it, I suppose only time will tell, but it should not happen here, and I agree that it has happened in the United States.

Mr. Makarchuk: When the Treasurer says it should not happen, the companies or the employees are protected by legislation at the moment, is that right?

Hon. Mr. McKeough: Yes.

Mr. Chairman: The hon. member for Grey-Bruce.

Mr. Sargent: I would like to ask the minister how many people are employed in the supervision of this department?

Hon. Mr. McKeough: Twenty-one.

Mr. Sargent: Twenty-one people, and we are paying them \$229,000. Twenty-one people to cover possibly \$10 billion worth of pensions! That figure may be pulled out of the air, perhaps it is realistic, but it is the money and the future of a lot of people. Does the minister think this is a sufficient number of people to do a proper job on this?

Hon. Mr. McKeough: Yes.

Mr. Sargent: And the minister still does not know the amount of money involved? Does his department do an across-the-board, geographic survey? How does it go about a survey?

Hon. Mr. McKeough: Every pension plan has to be registered. If it is not registered it does not qualify under either our Corporations Tax Act or The Personal Income Tax Act—federally or provincially. It must be a registered pension plan. Each one submits an annual return, and every three years—and there are 8,500 of them—they are looked at very intensively.

Mr. Sargent: How do you measure a plan? What is the yardstick, what do you look for when you assess a plan?

Hon. Mr. McKeough: You make sure it is actuarially sound and is going to provide the kind of pensions which are called for, and conforms to The Pension Benefits Act legislation.

Mr. Sargent: Then, bearing in mind what the hon. member for Oshawa and others have said in regard to vested interest in periods of five to ten years, have you at this time ordered any firms to review their plans and rewrite them as to modern day needs?

Hon. Mr. McKeough: Yes.

Mr. Sargent: You are doing that now?

Mr. Chairman: Vote 2408—the hon. member for Kitchener.

Mr. Breithaupt: Just one comment, Mr. Chairman. I have a situation which I can perhaps use as an example to show some of the problems to the minister, of at least certain workmen in a plant in Kitchener. Under a group annuity programme, pursuant to The Pension Benefits Act, there was an agreement with a group of employees stating that the company would pay for all the benefits. The problem has arisen where the group agreement was cancelled on January 1, 1971, for all of the employees who happened to be union members—members of the Teamsters Union. The difficulty of course arose when many of the persons who have stayed on the job, and are members of the union, wish to withdraw the proceeds of the funds that they have put in. My understanding is that in 1965 and 1966 they had the ability to remove their proceeds and some of them did this. Now, however, the company has, in effect, cancelled the contributory part of the pension programme for them, and they of course find that they are unable to deal with these funds. In a memo which appears to have been given by one company man to another the comment is "Mr. X wants to withdraw his pension for investment purposes, please reply and state the implications." The answer is "Pension contributions are not withdrawable until severance of employment. There is no other alternative than that which was presented to those fellows." It would seem to me that if the company has the opportunity to withdraw the programme, those persons who are continuing within the company and no longer have the opportunity of contributing should have some course of action open to them which would allow them to reinvest their funds if they chose to do so.

My understanding is that the return on this pension fund programme was 2.7 per cent and it would appear that a somewhat higher benefit could be obtained by any investment than that small amount. I agree with the purpose of the legislation which, of course, is to protect members against the hastily or ill-conceived programme of cashing out their investment. I am wondering, Mr. Chairman, if the minister can advise me whether any alternatives have been considered for those persons who find that the contributory portion of the employer is suddenly cancelled, and they are left with a pension programme? The only benefit to them is to set up a personal contribution to the group or to the insurance company that had been previously handling the group. In a letter received, over the signature of the president of the company that was involved, the statement of pension benefit went to these various persons and on the basis of the suitable certificate—so that the insurer can provide a suitable certificate rather—the evidence of proof of age and such like had to be submitted, and the end result was in this last paragraph of the letter, and I quote:

Anyone interested in continuing a supplementary pension programme with the X Life Insurance Company, should advise us and we will put you in touch with their sales representative. Furthermore, we are agreeable to an arrangement whereby the cost of such a contract would be deducted from your regular pay and remitted direct.

This appears to be a policy decision on the part of the company that employs these persons, that the benefit which they had been receiving was no longer received upon unionization, or after some terms of a contract. I am wondering if the minister has any comments with respect to this kind of a situation, and whether consideration should be given to changes in the Act that would benefit these individuals caught in this apparent company-union difficulty which leaves the individual out in the cold?

Hon. Mr. McKeough: The Act states that an employee cannot withdraw while he is in the employ of this particular company, unless the plan itself is terminated. It is a clear statement in the Act. I think I can see the problem the member has described. Perhaps after we have had a chance to look at Hansard, the member may have some additional information, and we may be able to come up with suggestions, or perhaps some change in policy is indicated, but I am afraid I cannot

indicate anything more than that at this moment, although I can see the problem.

Mr. Breithaupt: Well, Mr. Chairman, I do have the particulars of the policies and some letters, one received from the pension commission, and also the correspondence from the company involved. I chose not to name either the insurance company or any other individual because I think it is a matter that should be resolved as a principle. I will be pleased to deliver these items I have received to the minister and perhaps some benefit could accrue.

Hon. Mr. McKeough: Thank you.

Vote 2408 agreed to.

On vote 2409:

Mr. Chairman: The member for Sarnia.

Mr. Bullbrook: Thank you very much, Mr. Chairman, I want to make some comments in connection with this vote. The total expenditure of \$2,382,000.

Now, during the course of my remarks I am going to be talking about some aspects of my own personal thoughts that are not to be taken or recorded as the thoughts of this party—because we have not been called upon to respond to any initiation by the government. As a matter of fact, the government has been traditionally lethargic in the field.

I first want to say that from time to time during the course of this particular vote, there is a tendency on the part of all of us, myself included, to take issue with that transfer payment of \$1,885,000 this year, the grants to the racing industry itself. It is not my intention to do so today. Enough has been said in years past.

I want to put a question to you. Do you have someone here from the Racing Commission who might assist the minister in answering some questions? Well, the first question—we saw this year what would appear to have been a unilateral decision by the Jockey Club, and as I perhaps chastise them for making this decision, I am going to make them feel happy in the future in connection with comments relative to breeding in this province, and the decision was to abolish show betting, and I read much about it in the paper.

I have never at any time read that the decision was either upon the direction of or with the acquiescence of the Racing Commission. Firstly, I am wondering if, as I resume my seat for a moment, you could

advise me whether the Jockey Club took this up with the Racing Commission?

Secondly, the Racing Commission, I take it, obviously acquiesced.

Thirdly, what public good was served? I emphasize the words "public good," not the good of the Jockey Club.

But you know there are ladies who go down there on a Saturday afternoon, armed with their \$18 to bet \$2 show on every race or perhaps \$12. They will bet \$6 on three races or something of that nature.

I am very interested in the function of the Racing Commission in this connection. I am very interested as to what public good was served in this because obviously the Jockey Club did not agree with it. At the end of the Fort Erie meet, they reverted back to the normal worldwide—at least North American tradition of win, place and show betting.

Hon. Mr. McKeough: The Ontario Racing Commission was not involved in that change. An application presumably would have been made to the federal Department of Agriculture which must have approved the change and probably approved the change back but our Racing Commission was not involved or consulted and therefore has no view. It is the federal responsibility.

Mr. Bullbrook: Well, then, you are saying to me in effect that The Department of Agriculture at Ottawa has the total responsibility for the totalizator operation.

Hon. Mr. McKeough: For the parimutuel.

Mr. Bullbrook: The Racing Commission has no responsibility in this connection at all.

Hon. Mr. McKeough: Right.

Mr. Bullbrook: Does the Racing Commission have any persuasive value over the operation of the Jockey Club in connection with public betting?

Hon. Mr. McKeough: Only if it is consulted, and it was not in this instance.

Mr. Bullbrook: It is indeed unfortunate that, having regard to the fact that we the public of the Province of Ontario assist the Jockey Club limit, if not directly, tangentially, to the tune of almost \$2 million a year, that it could not see fit—namely the Jockey Club—to have the common sense and common courtesy to say to the Racing Commission, "This is what we have in mind, notwithstanding the fact that constitutionally you have no right or responsibility to direct us."

I say that first. I want to record without reservation that were I the chairman of the Racing Commission they would have heard from me. I think that the chairman of the Racing Commission should hang his head in shame and so should his cohorts in connection with the lack of public response relative to this matter. All we had to do was read the sports pages of the Province of Ontario during three months of this year and find that the public were not satisfied with that particular enterprise.

It does not salve my wound at all as far as representing part of that segment of the public, to say we have no constitutional responsibility. Be damned the constitutional responsibility. I say, without reservation, were I chairman of the Racing Commission, I would have let them know immediately I did not like it, if I felt it was not in the public good. Having regard to the fact that we as legislators transfer payments of \$2 million to them to upgrade that industry, one would have hoped that they might have listened, whether we had the legal right to persuade them or not. So be it. That is all I will say in this connection.

Now as far as the payment is concerned, one hesitates to say that normally, a payment of this nature collectively to people who are, in the majority instance, wealthy people, is really in the best interests of the public. However, I think we have to recognize this—and happily so—the thoroughbred industry in the Province of Ontario, the breeding concurrent therewith, and to a great extent the standardbred racing industry has become recognized throughout the world as being happily one of the finest industries of its kind.

I invite the consideration of any other member of this House as to what other province or state has produced Northern Dancers, or Nijinskys or Kennedy Roads. We are happy in this connection. I think really in the long run this payment is comparatively insignificant, having regard to the improvement of the industry, and as a result the reception by the public and concurrently, therefore, the return to the public purse. I think it is a fairly good investment.

I do want to record that if we are going to say to the breeders, such as Mr. Gardiner and Windfields Farms, people who really significantly contribute of their own money and time and effort sometimes with great return, but not always with great return I would think, that they have done this, yet it bothers me to think, for example, that E. P. Taylor has somewhat the unilateral right to stand

Northern Dancer at stud at Maryland. I wonder about that, notwithstanding the initiative, the dedication to the industry of E. P. Taylor—and I praise him heartily for that; he has been the leader in this connection in the thoroughbred industry—one wonders about motivation. I am not going to talk this afternoon about his motivation in shipping \$14 million down to Barbados through certain vehicles that are open to him as a result of the continued—

Mr. Sargent: The Bahamas.

Mr. Bullbrook: Did I say Barbados? I am sorry, to the Bahamas through the continued sleep of this government and the government at Ottawa.

When you contribute to an industry continuing amounts such as \$2 million a year—and we say there is a significant and worthwhile purpose in this connection; we hope it is eventually for the upgrading of this breed in the Province of Ontario, and I do not for one moment say that Mr. Taylor or anybody else can salve his conscience by saying that the good mares are down there—the fact of the matter is the good studs should be up here, because the public of Ontario contributed to the elevation of the breed.

The fact of the matter is, I would like to know the stud fees concurrent with Northern Dancer. And now Nijinsky I understand has been syndicated and he will stand in stud in the United States or in Great Britain—and what about the stud fees in that connection? Are they paid through the State of Maryland? I would really like to know. I am inclined to think they are.

I really do not know what they are but I imagine Northern Dancer can call upon \$20,000 to \$25,000 now without any difficulty. What about the capital gains and the increase in equity that accrues to people such as Mr. Taylor? So, as much as we say that we are happy and pleased that this investment in that industry by the government of Ontario over a considerable length of time has borne fruit, so to speak, we doubt very much whether the Racing Commission—

Mr. Sargent: For a few people.

Mr. Bullbrook: —or the government of Ontario really are looking beyond their nose in this connection. And I think, frankly, I say myself, were I involved in this I would want to look—I would want to really—were I the Racing Commission, because you see their

responsibility is to govern, direct, control and regulate horse racing in the Province of Ontario.

I am told by those who are knowledgeable that the quality of horse racing is dependent totally upon the quality that is done within the area itself. That is really what ultimately attracts the public itself and makes going to a thoroughbred race an exciting involvement for many of the public, an exciting involvement in sport.

So I exhort the minister, through his chairman, or vice-chairman, or whatever members of the commission who are here, to take up this question of transportation of the key stallions outside of the Province of Ontario.

Mr. Sargent: Why are the commission members not here?

Mr. Bullbrook: It is a strange type of topic to be taking up the time of the Legislature of Ontario but it is a very important one. I think it is very important because we put this money into it.

I want to digress and I want to get into something that causes me great concern. What I talked about before is the lethargy on the part of the Province of Ontario in connection with the offtrack betting situation. I am not going to be dissuaded one moment by someone telling me that it is a federal responsibility.

It is not my intention to record in this House personal discussions I have had; suffice to say, and I have said it before—my colleague from Downsview (Mr. Singer) has said it before; members of the New Democratic Party to a certain extent have said it before—that they believe that should the Province of Ontario take a position in this connection they could persuade the Minister of Justice at Ottawa to enact forthwith enabling legislation.

So I premise my remarks by saying that I for one are not prepared to accept the retort that the Minister of Justice in Ottawa must show some initiative. The fact of the matter is that the Ministers of Justice of this Dominion have met on four separate occasions since this whole question of offtrack betting arose. What you have permitted to continue in this province is the following:

A complete deterioration of the horse racing industry which is taking place as a result of the siphoning off of a significant amount of the betting that is made ordinarily through

the parimutuel machines and which assists the industry to subsist itself.

Secondly, you have completely closed your eyes and negated your responsibility in connection with the tax revenues that the public of Ontario are justifiably entitled to.

The third thing you have done is that you have closed your eyes to an opportunity and a vehicle to deal a significant blow to organized crime in the Province of Ontario. Because the fact of the matter is, if a person is able with facility to make a wager through a legitimate enterprise, he is not going to do it through an illegitimate enterprise and suffer the possible consequences.

I must record again, I speak for myself. I am sure there are members of my caucus who might take issue with my position. When I came to this Legislature four years ago, I could not envisage the day when I would stand on my feet and say that I feel the time has come that we must perhaps consider the legitimizing of gambling off the track itself. But I do think the time has come. Certainly I am entitled to say this, we cannot let the status quo continue. The status quo does no one any good except a collection of entrepreneurs downtown in Toronto, so therefore I invite your consideration of this. I speak to the minister through the Chair. The minister responsible at the present time might well convey to the Minister of Financial and Commercial Affairs (Mr. Wishart), who by warrant will shortly be responsible for it—he might well be now; however we are voting the money which you are going to transfer, I understand, to your colleague. He might consider this, that he speak to the Attorney General (Mr. A. F. Lawrence) of this province and that a policy decision is made.

I would like to see the following policy decision. Perhaps you will permit me to reiterate something I said the other day during the course of a debate on a bill. I have occasion every year to visit in my riding what is known as the Chemical Valley Retirees Association, members over 65, most over 70; and during the course of the lottery legislation that we brought in last year I asked them about it and the unreserved, unequivocal, unanimous attitude was, "I am for it," "We are for it." I would not have believed this, frankly, because these are the types of people who traditionally are small "c" conservative in the Province of Ontario. I think they were, but they are frankly fed up, they are not only fed up but they are almost bankrupt as a result of paying taxes,

These are the people who are on fixed incomes and these are the people that we must express our concern for. And any additional avenue of financial redress or availability to the province must not be looked upon in lethargy, it must be seized. You must take an active position. I am not saying that what is going to happen here, happens in New York City on Kentucky Derby Day when they have a net profit of \$150,000 on one race. I am not saying that is going to happen. But I think you have got to make a moral judgement on this matter and the fact of the matter is that I believe in contemporary society; the moral judgement of most people is, we do not feel it is that morally offensive.

Because the fact of the matter is, what possible moral distinction can you make between walking up to a \$2 window at Woodbine or walking up to a \$2 window on Bay Street? It is either morally right one place and morally right in a different place, or it is totally morally wrong and we must abolish the question of gaming and gambling. I am not going to get into the historical involvement of the common law in connection with gaming. Members are familiar with that, but one recognizes, as the courts have recognized in the United Kingdom, that we do not have the same sense of mores and values relative to this matter that we once had.

I propose the following: I propose your consideration of this fact: We happen to be equipped here in the Province of Ontario—which they are not for example, in New York State—with vehicles that I think could be used to integrate a total system of off-track betting, namely, the liquor control outlets. I see nothing wrong, myself, personally, that if we are going to establish a position of off-track betting, I think it should be run through those outlets. I think the government should operate it.

It gives the person in Napanee the opportunity, if he wants to bet on the seventh race at Woodbine, if he is inclined so to do, go from his place of employment and make his wager if he wishes. Everything that I have said, and will say now, of course, is premised on a moral judgement that I have made, and that I am prepared to make, and that is that there is nothing intrinsically, or inherently wrong in making a \$2 or \$4 bet on a horse. There are all kinds of ambivalent arguments that we can get into in connection with the adverse effect that it might have on his family and upon himself. But I just do not see that we as legislators can come to

grips totally with that, as we could not in connection with the liquor legislation.

One recognizes that many families in that situation are completely ruined as a result of undue consumption of alcohol. But I do not think we, as legislators, would serve any public purpose or useful purpose in saying that there never should be any liquor sold in this province. Again I say, that is a judgement that I would have made.

I see no reason, therefore, that we cannot adopt a scheme, operated by the government of Ontario, utilizing the unique facilities that we have now, these liquor control outlets, so that anybody in the Province of Ontario, through an integrated, immediate, computerized communication system, can wager on a race run in the Province of Ontario.

That is a restriction that I would make. No races outside the province. We must assure the public that in making a wager that they have the same protection that they have at the track—that is the protection of the Racing Commission in connection with regulations, investigation and so on. So, just within the Province of Ontario.

Secondly, I believe that the Jockey Club must be entitled to their normal percentage of the total take in connection with a wager throughout the province. I say, as a matter of fact, that to syphon off from the track itself the majority of the wager will eventually lead to the total withdrawal of the industry and there will be no opportunity, either for the industry, the sportsmen, or the people who like to wager upon a horse race.

I think it is absolutely essential that—I think it is 10 per cent at the present time—of that total handled, that amount goes to the Jockey Club. The remainder of it should go to the government, to assist government in relieving our taxpayers of the significant burden of taxes that they cannot bear any longer. We have to look, and we have to show initiative in this connection. We must do this.

The fact is, therefore, that a stipend of \$1,885,000—I do not want to sound like C. D. Howe—could be comparatively nothing in comparison with the return that could be made. And the fact is, you know, it is no answer for me to get from a public servant that it really is not that worthwhile, that there really is not that much money involved to benefit the Province of Ontario. There are sufficient moneys involved that there are 120 shops operating at the present time in Toronto. Now, if they can make money—

Mr. Sargent: There are 231 shops in Toronto.

Mr. Bullbrook: Right, 231 now? I had heard over 200 and then I had heard a statement that there were actually only 120 operating at the present time. But I think that really is the point here. If this number of shops can operate, pay the rent, pay salaries, then I think frankly they must be making money.

Those are the considerations that I have in this connection. As I say, I do not believe that they would be subscribed to perhaps by all the members of my caucus. The fact is that we have not totally concluded a position. I think that many of them would and I think perhaps that other members of the House would agree in substance with what I have said.

I do though implore the government in this connection, if the government cannot see its way clear to establishing a position in favour of the operation of a totally integrated offtrack betting system to the financial advantage of the public of Ontario, then I implore them to do this. Please put the offtrack betting shops out of business. Please do that.

Mr. Paterson: One or the other.

Mr. Bullbrook: If you cannot go all the way, at least go part way, because, you see, your inertia is going to ruin the thoroughbred and standardbred industry in the Province of Ontario. And what you are going to do, therefore, is to deprive thousands of citizens of this province of an entertainment and an enjoyment which is their right.

Mr. MacDonald: Mr. Chairman, much of what the member for Sarnia has said I would agree with. I want to tackle this problem in a somewhat different way. Moreover, my line of reasoning is going to vary in terms of a premise which he stated, namely, that he was rather generous in his assessment of the motives of Mr. E. P. Taylor and the operation of racing in the Province of Ontario. He expressed some doubts with regard to E. P. Taylor's motives regarding the money that was taken down to the Bahamas, but here in Ontario, he was a great developer of the breed in the Province of Ontario.

Mr. Bullbrook: No. I took issue with his removing his stallions out of the province.

Mr. MacDonald: Okay, apart from that—

Mr. Bullbrook: Not okay. It is a significant—

Mr. MacDonald: —I am talking about racing, the operation of the Jockey Club and so on.

Mr. Paterson: There are other tracks.

Mr. MacDonald: You know, interestingly enough, Mr. Chairman, what we have in vote 2405 is regulation of horse racing programmes. One is led to believe that it is the racing commission who is doing the regulating. My basic premise is that they are not. The Jockey Club is doing the regulating and E. P. Taylor is regulating the Jockey Club.

Hon. C. S. MacNaughton (Minister of Transportation and Communications): They are not.

Mr. Sargent: Where is the racing commission today?

Mr. MacDonald: The previous provincial Treasurer scowls at me and interjects that they are not. I just want to draw to his attention a series of informations. The first one is this. Five years ago, speaking to the shareholders of the Jockey Club on May 5, 1966, Mr. Taylor told them:

All of the directors of the Jockey Club are now, or have been in the past, owners of racing stables and are well aware that very few such stables ever operate at a profit. The directors, therefore, are always sympathetic to the need for as generous a purse distribution as possible.

That is point one—that the directors of the Jockey Club are almost exclusively those who are operating racing stables. Presumably they are losing money, but they have therefore a conflict of interest in the operation of the Jockey Club. A very intimate interest if not a conflict of interest.

Now let me come to point two. It was all neatly recapitulated earlier this week by Dick Beddoes in one of his columns, so let me put it on the record from that recapitulation.

All year we have been hearing how brutal the horse racing business is, right? Well, inside trading reports show Windfields Farms bought Jockey Club stock to the extent of 373,128 shares during the last four months. Windfields obtained 174,328 shares in February, 131,500 in March, 42,100 in April, and 25,200 in May. The price ranged from \$4.05 a share to roughly \$5.75. Windfields is described by the Securities Commission as "a company controlled by E. P. Taylor and members of his immediate family."

Mr. V. M. Singer (Downsview): Mr. Chairman, on a point of order. It has been traditional in this House that when the estimates of a particular department are being debated, that certainly one person who is present is the minister responsible. I would think that the minister responsible should be here because to my mind what my colleague from Sarnia has discussed and the member for York South is now discussing are most important issues.

Interjections by hon. members.

Mr. MacDonald: As a matter of fact, the member for Downsview has been in and out of the House all afternoon. It is just possible that the minister wants to leave the House briefly, and I am not going to question why.

Mr. T. P. Reid (Rainy River): After listening to the member, I can understand his reasons.

Mr. MacDonald: Well, the smart aleck from Rainy River is out most of time and that is the appropriate place for him.

Interjections by hon. members.

Mr. Chairman: In connection with the point of order, I am sure the minister will be right back. The member for York South might continue.

Mr. MacDonald: As a matter of fact, when the next election is over we will see that he is out permanently.

Mr. Lewis: On that we are prepared to wager.

Mr. T. P. Reid: Are you? What odds are you giving?

Mr. MacDonald: Would the hon. member for Rainy River like to leave again? He has my permission, if nobody else's.

Mr. T. P. Reid: Well, the member has not had much to say to this point.

Mr. MacDonald: If I may continue, Mr. Chairman—

Mr. T. P. Reid: If you would get that knife out of your back that your friends put in it, you would not be so sensitive.

Mr. MacDonald: Oh, cheer up, cheer up! Do not worry about the knife in my back!

Mr. J. E. Stokes (Thunder Bay): Why does the member not return to his seat?

Mr. MacDonald: Mr. Chairman, is the hon. member in order?

Mr. Chairman: He is not even in his seat. The member for York South.

Mr. MacDonald: I conclude the quotation from Dick Beddoes:

This year's purchases boost Windfields' holdings in Jockey Club to 1,963,800 shares, the single biggest block in a total of 5,928,044 shares. The shares presumably will become more valuable if, as Mr. Taylor devoutly hopes, the provincial government takes charge of the betting shops and all offtrack wagers are registered by electrical impulse through the Jockey Club's parimutuel machines.

However, I also want to put on the record, Mr. Chairman, the fact that there is under consideration some refinancing of the setup in the Jockey Club. Earlier this year—I do not know to what extent this is going to be carried through, how great are the difficulties in completing it—but earlier this year Mr. E. P. Taylor announced that there was going to be implemented a plan for turning the company into a non-profit corporation without share capital.

The plan involves the issuance to shareholders by the company of 16-year second-mortgage debentures carrying interest at six per cent.

Now that sounds rather interesting. Let me draw it to your attention, sir. For a man who has now got close to two million of the five million-odd shares in his control through Windfields, this is the kind of thing that was at least in mind, whether or not it is ever achieved.

Terms of the planned offer were \$10 principal amount of the debentures for each common share. At yesterday's closing price of \$5.25—

incidentally, it is down now to about \$4.25, I think, if I recall yesterday's quotation correctly—

—this would mean that each \$1,000 debenture would have an effective cost to the common shareholder of \$525. Holding the debentures to maturity in 16 years' time would produce a yield of just over 13 per cent on the six per cent coupon.

This compares strikingly with the yield of just under two per cent currently available on the common shares, which are paying an annual dividend of 10 cents.

A final item to be drawn to our attention is that of the 17.5 cents or thereabouts, which is taken off the top of the bets, some 9.5 cents goes to the Jockey Club. Out of that 9.5 cents, or the amount aggregated from the 9.5 cents, 46 per cent is paid out to purses; 54 per cent of it presumably goes into the coffers of the Jockey Club.

My question to the minister is this: I am interested in the plea of the member for Sarnia that we do something about the irrationality and the irregularities that are going on in offtrack betting. As a matter of fact, how this government can sit idly by when it is losing revenue in this fashion, and hear the testimony of the former Attorney General, when he said, "I have no doubt that the offtrack betting shops are run in a manner that attracts criminal elements."—how the minister can tolerate a loss of revenue in a manner which is attracting—and I do not think this is too strong—aiding and abetting criminal elements in the field—

Mr. Sargent: That is right.

Mr. MacDonald: How the minister can do all of that at the same time through a Jockey Club, or through a change which is going to bolster the financial position of a Jockey Club which has now some 5,000,000-odd shares in the control of one man. I mean, when is the government going to move? This is not a public institution that is looking after the public interests. I cannot be generous at all in terms of the motivation to E. P. Taylor. E. P. Taylor is in there. He is establishing a stronger and stronger monopoly. He is pleading with you to do something—and the morality of the picture suggests that you should do something—but are you going to do it to bolster a position that is already indefensible, because my basic question to the minister is this: What is his reaction to the kind of thing that has been going on in terms of the greater control of the Jockey Club through the accumulation of shares and the proposed refinancing in the set-up of the Jockey Club?

Hon. Mr. McKeough: Mr. Chairman, perhaps I could answer that last question. Frankly, I have no reaction to whether Mr. Taylor, or Windfields Farms, wants to buy more or less of the Jockey Club. I would say, just in passing, that as one who for no good reason has kept an eye on Jockey Club stocks over the years, I am a little surprised at Mr. Taylor doing what he is doing. I do not think it has proven to be, and by any financial

analysis it has not been, a terribly good investment. However, that is entirely—

Mr. MacDonald: Does the minister not think that refinancing into it is not going to be a good deal?

Hon. Mr. McKeough: I think that is entirely a matter as to whether Mr. Taylor wants to own 100 per cent, or 99 per cent, or 10 per cent or one per cent of the Jockey Club. Frankly, I cannot become too concerned about it one way or another and I do not know that it changes what we are discussing here.

Mr. MacDonald: A \$10 debenture for each common share?

Hon. Mr. McKeough: That has to be registered through the Securities Commission.

Mr. MacDonald: Pardon?

Hon. Mr. McKeough: The Securities Commission keep an eye on those sort of things. I am not particularly interested as to whether Mr. Taylor owns one per cent or 99 per cent of the Jockey Club or one per cent or 99 per cent of Massey Ferguson. This is a matter which is not particularly under discussion here.

Mr. MacDonald: Look, this is the agency through which the minister permits, in effect, the de facto regulation of racing in this province. They control racing.

Hon. Mr. McKeough: We do not concede that in any way, shape or form. Racing is controlled in this province through the Ontario Racing Commission and not through the Jockey Club.

An hon. member: Hear, hear.

Hon. Mr. McKeough: The member has had an obsession over the years with the profits of the Jockey Club which, frankly, any financial analyst will tell you are practically nonexistent. It is a lousy investment. I think that the member will find that in the financial pages as compared to the sport pages which the member is reading so avidly—

Mr. Deacon: Perhaps that is one place where the minister and I agree.

Hon. Mr. McKeough: —and perhaps checking on the returns.

Mr. MacDonald: I have read both.

Hon. Mr. McKeough: We do not concede that the Jockey Club runs the Ontario Racing

Commission, or therefore racing in this province.

Mr. Bullbrook: Ask him what would happen to the Jockey Club stock if they permitted the Jockey Club to run offtrack betting?

Mr. MacDonald: Of course, of course. And if you regularize it so that you pour the money into the parimutuels instead of letting so much of it go off into organized crime in the Province of Ontario—those who control organized crime—you are going to assist the Jockey Club. The Jockey Club is getting its 9½ cents and 54 per cent of that 9½ cents goes into the Jockey Club, so do not say that the Jockey Club is of no concern in this picture. And if the Jockey Club is contemplating the kind of deal which Mr. E. P. Taylor announced publicly, that there is going to be a \$10 debenture for each common share, so that each \$1,000 debenture is going to be picked up for something like \$400 to \$500 and you are going to increase the returns from two per cent on the stock now to about 13 per cent of the calculations of a few months ago, I do not see how the provincial Treasurer—he is not paying any attention—can say that he has no interest in this kind of thing.

The Racing Commission supervises racing but the de facto operation of racing is by E. P. Taylor and the Jockey Club, and there is a very moot question among those who are very close as to how independent is the Racing Commission with the influence of E. P. Taylor behind the scenes. We have had, in many areas, some very clear-cut evidence as to how E. P. Taylor operates, such as, for example, calling up Leslie Frost back in the 1950s on the Canadian Breweries situation and telling him over the phone what should be done. Leslie Frost presumably got a little bit angry. But strangely enough, what Taylor asked to be done ultimately was done. So one wonders about the reaction of being offended by his tactics. But the fact of the matter is, he normally has his way. The minister could bow out of the picture, but he is not protecting the public interest either on this or on his refusal to grapple with the problem of off-track betting.

Mr. R. G. Hodgson (Victoria-Haliburton): Mr. Chairman—

Mr. Chairman: The hon. member for Grey-Bruce was on his feet.

Mr. Sargent: It is okay.

Mr. Chairman: The hon. member for Victoria-Haliburton.

Mr. R. G. Hodgson: Mr. Chairman, as a former horse owner and operator, I want to say this, and that is, it is my opinion that the government should either get into this off-track betting operation or should get out of it and completely have everybody else get out of it. I believe also that it is the government's duty to protect the horse owner who has a large investment and operates a business in this province, in this very field. I am sure it must be done, and it should be done very shortly. I am not convinced, in delaying such a decision, that it is a wise sort of operation by this government at this time.

Mr. Chairman: The hon. member for Grey-Bruce.

Mr. Sargent: Mr. Chairman, that man can say more in one minute than has been said in an hour in this House right there.

Interjections by hon. members.

Mr. Singer: Except for the hon. member for Sarnia.

Mr. Bullbrook. Eddie, that really hurts.

Mr. Sargent: Excepting my colleagues, and the member for York South.

Interjections by hon. members.

Mr. Sargent: For once we have some sense over there.

I think, Mr. Chairman, the hon. member for Sarnia put in capsule form the position of this whole sorry mess. I cannot, Mr. Chairman, understand the position of the government. It is not good business. On May 15 the Attorney General promised at a meeting with the Jockey Club that he would have a government policy statement by June 15.

Hon. A. F. Lawrence (Minister of Justice): Oh I did not.

Mr. Sargent: All right. Milt Dunnell says you did.

Hon. A. F. Lawrence: Oh well, I bow down. Milt Dunnell, that is different.

Mr. Sargent: I checked back with Dunnell and he agreed you did say that.

Hon. A. F. Lawrence: He was there, was he?

Mr. Sargent: No, he was not there but he

had good authority you said that. If you did not say you would have it on June 15, when will you have it? And you say you would have it.

Hon. A. F. Lawrence: I did not.

Mr. Sargent: You did so.

Mr. Singer: They will never have it.

Mr. Sargent: The fact is, Mr. Chairman, we have this situation where, a month ago we had 231 offtrack betting shops in the environs of Toronto. The thing is that there is no policing of these operations. They pay no sales tax; they pay no taxes, period. No one knows how much money they take in and no one knows if the money gets to the track. There have been many cases where bettors had big wins and they go to collect their bet and are told "Sorry, Russ, the money did not get to the track, so here is your \$2 or your \$5 back."

The shocking situation is that they are allowed to go scot free. They can steal \$1 million a day and no one knows anything about it. In fact, I bet the Minister of Municipal Affairs (Mr. Bales) has not even got a listing for them in the assessment base. How do you assess them? What kind of operation are they? They do not pay any sales tax, they pay no income tax, they pay nothing—

Mr. Breithaupt: They might contribute every fourth year.

Mr. Sargent: —and they are allowed to go scot free. A new brand of people has come into the operation, which is run from plush offices here and we have the story that the Mafia is controlling this show. If so, the government is in bed with the Mafia, it is as simple as that.

Mr. J. Renwick (Riverdale): Just as simple as that.

Mr. Lewis: Now it is clear.

Mr. Sargent: And I would like to know if this is not so, why is the government—

Interjections by hon. members.

Mr. Sargent: —dragging its feet and why cannot then the Attorney General make a decision!

Mr. Lewis: You realize what would have happened had any other member said that?

Mr. Sargent: The other side of the picture is that we are told if you would implement

this scheme mentioned by the members for Downsview and Sarnia, to put the machinery we have to work to communicate with the track from the liquor store in Peterborough, in Kingston, right across to the borders of Ontario, and if you say that John Citizen can walk in and place a bet legitimately, the handle each day at the track would be up tenfold possibly. The part that the government would get in a year would be \$100 million a year; that would be its take from the legitimate side of the action.

So here we are now, almost six weeks away from the target, on a date two weeks later than that the Treasurer gave to the group. We have no government policy insofar as closing up these shops is concerned. How are we going to operate?

I can tell you, Mr. Minister, what is going to happen. Mr. Chairman, for the record, what is going to happen here is that they are going to be allowed to drift into the operation. They are going to have full-line betting shops, whereby we have betting on the fights, on hockey, on soccer, on football, on the dogs—you name it. But we drifted into full-line betting operations because the government is sitting doing nothing.

So, in effect, if a million people a day, or 500,000 a day place bets across this province, then there is probably \$1 million a day going down the drain, never getting to the track.

We have this complete new empire being built up. We even have them in small towns like Collingwood now. Every little area has its own betting shop. And the guy who sits at the top is in a big plush office downtown. He is pulling the strings.

If you can tell me that the Mafia is not mixed up in this, then who is? Have you investigated the people who are operating it? Does the Attorney General know who is running these shops? Has the government had a check on them? So the government look out the window.

The other side of the coin is; the Jockey Club is—I have no brief for it but I think the minister is wrong. If this is allowed to continue, the Jockey Club has said, "To hell with it. We will close it up." And their stock will skyrocket, because if the Jockey Club were to convert its holdings in land into capital gains, into sale of land, its stock could just be the greatest stock in the world.

So what is going to happen then? The Jockey Club is going to close up on July 18, at this point, and 2,000 people will lose their jobs and the government will lose how many

millions of dollars? Is \$50 million the government's take now? What is its take now?

Hon. Mr. McKeough: It is \$20 million.

Mr. Sargent: It is \$20 million. We lose \$20 million when we have a potential of \$100 million, if we do it properly through computerization, through the chain of network across Ontario. I would suggest to the minister that the most important thing it should do is to get off it and do something about it in closing up these.

The government could pass a law tomorrow from Queen's Park. It does a lot of crazier things.

Hon. Mr. MacNaughton: Pass a law tomorrow?

Mr. Sargent: Pass a law and say that in 24 hours these guys go out of business, if the government is looking after the rights of the people of Ontario.

Mr. Chairman: Vote 2409. The hon. minister.

Hon. Mr. McKeough: Mr Chairman—I am sorry, go ahead.

Mr. R. Gisborn (Hamilton East): I just want to get on to a different track, although in keeping with the concern about the development of the offtrack betting shops. We have got them now in Hamilton. I believe there might be figures being bandied around of 12 or 14, but the police knocked six of them off a week ago Saturday.

It is going to be very interesting to watch the case develop in court and see how they produce the evidence, because, being interested myself, I tried to find out just how they could get away with the shenanigans they were pulling. I am sure that this government should have been interested in how they were getting away with it, so the development of these six cases might give us some idea of how the Hamilton police were able to put their finger on bookmaking in these six establishments. I want to raise a couple of questions in regard to the operation of the track itself. Could the minister tell me, are parimutuel clerks all organized now? Do they have collective bargaining with the commission?

Hon. Mr. McKeough: On the A tracks only, not on the B tracks.

An hon. member: Which is which?

Mr. Lewis: Your guess is as good as mine.

Mr. Gisborn: I was going to say, which is the A track and which is the B track? I think one is the trotters and one is the flat racing.

Mr. Bullbrook: Taking the A train?

Mr. J. Renwick: The B is the trotter.

Mr. Singer: Taking the A train by one who used to run down Spadina.

Mr. Lewis: For a man who has never placed a bet you are not doing badly.

Hon. Mr. McKeough: The large tracks are the Windsor track, the Rideau track, and the tracks here, as determined by the amount that is bet. The large tracks, in effect, are unionized but the small tracks are not.

Mr. Lewis: It is a lucky thing the Treasurer has that horse fanatic Ian MacDonald in front of him. If it was not for that he would be in trouble.

Mr. Gisborn: The Treasurer is talking about Woodbine, Greenwood and Fort Erie?

Hon. Mr. McKeough: Yes, those are the A tracks and they are organized.

Mr. Gisborn: All under collective agreements?

Mr. Breithaupt: If they are not, they are now.

Hon. Mr. McKeough: Yes.

Mr. Chairman: Vote 2409. Does vote 2409 carry?

Mr. Singer: No, Mr. Chairman, I would like to hear the minister.

Hon. Mr. McKeough: I would just say this, Mr. Chairman. Obviously this is a subject which has been discussed on several occasions during the course of this session of the Legislature, during the estimates of my colleague, the Minister of Financial and Commercial Affairs, during the question period, and on several occasions with the Attorney General. As we move into the Attorney General's estimates following these, I have no doubt that it will be questioned again.

We are in a difficult position at this moment of time because of the administration of the racing commission having been moved to my colleague, the Minister of Financial and Commercial Affairs, who has had the commission now for two or three weeks. I had it for two or three months and I am frank to admit that I think between the two of us we have very little knowledge in this area.

We both do have a concern from the point of view of the legal aspects and the policing aspects, which will have to be dealt with by the Attorney General. I share with members who have spoken this afternoon the concern as to the loss of revenues which undoubtedly would appear to be taking place, and the potential in revenue which was spoken of so enthusiastically by the member for Grey-Bruce and others. I must say that I share the enthusiasm. I think it was once said by someone when this subject was discussed in front of the former Treasurer, that he had a conflict of interest and literally started to drool at the thought of the tax revenue which might accrue to the province; and I find myself in the same position today. My judgement on this matter is somewhat clouded by the potential in tax revenue which is estimated at not a small sum.

Mr. Singer: I do not know why you do not move more quickly if that is the case.

Hon. Mr. McKeough: We are concerned, and certainly I think it is fair to say and should be said, it is a question—aside from the legal implications which I am not equipped to deal with as to the present messenger shops, and which the Attorney General may wish to comment on, and the legal implications as to what our authority is and is not. Let me simply say that within the government we are concerned; the matter is under very active review and I think that we can look for a statement of government policy and government intent presumably either from the Prime Minister (Mr. Davis) or from the Minister of Financial and Commercial Affairs within the next very short while.

Mr. Chairman: The member for Downsview.

Mr. Singer: Mr. Chairman, I have been very fascinated to listen to this discussion capped as it is by the most informative statement given by the Treasurer. This is not something new. The former Attorney General will remember when the estimates of the Attorney General's department came before this House early in June, 1970, that in my opening remarks in those estimates I dealt almost exclusively with the question of off-track betting, and I presented at that time a fully documented case as to where the evils lay. The evidence came from discussions before the justice committee in the House of Commons, from interviews with police officers, from general observations I had made, and inquiries others had made; and the case,

I thought, was abundantly clear and demanded action and consideration from the government. We thought we were making a little progress, Mr. Chairman, when the Attorney General, the former Attorney General, the now Minister of Financial and Commercial Affairs, indicated of course, after the House had risen, that the matter had moved along to the point that he thought that maybe there should be an Ontario presence in the off-track betting, and it seemed as though he was on the verge of saying something in the public interest as to what Ontario's position might be when we had that event, the night of the long ballot which changed things over there and all the cabinet was shuffled around and, of course, everyone had to have new opinions.

Whatever opinions the now Minister of Financial and Commercial Affairs had when he was Attorney General he seems to have become very dumb about them now that he has moved from that portfolio, and whatever drooling the former Treasurer did about the anticipated revenue, or the present Treasurer is now doing about the anticipated revenue, they again have become very dumb; so over a period of some 13 months since we have had this new economic device, if you can call it that, introduced into our big city—the off-track betting shop—by reason of the amendment of The Criminal Code, the government has had no opinion. We have had the old Attorney General indicating he was moving toward an opinion; we have had the new Attorney General—and I am sorry he has left the House because he could perhaps be interested in these remarks, in any event we are going to pursue it when his estimates come up—first take the attitude that he had no concern, it was not his matter. By The Criminal Code it was a federal matter, a matter of federal jurisdiction and he had no opinion.

After much pressure and many questions he finally said, "Well, we are going to be meeting with the Minister of Justice shortly and we might discuss it." Meetings came and meetings went and the Attorney General came back to the House and still apparently no discussion had taken place until, Mr. Chairman, the conference in Victoria, where the Minister of Justice, Mr. Turner, from Ottawa was present, where the Minister of Justice from the Province of Ontario, the hon. member for St. George was present, and according to the words of our Attorney General, a discussion at long last took place—Lawrence talked to Turner and Turner talked to

Lawrence—and he said, and I paraphrase, and I think quite exactly, the words of the Attorney General of the Province of Ontario: “I told Mr. Turner what in fact we wanted and I told him verbally and I told him in writing.”

So we asked, Mr. Chairman, we asked quite logically, “What is the position of the Province of Ontario?” and the inestimable member for St. George said, “You have no right to know.”

Mr. Chairman, surely the time has come when, if this government has an opinion, the people in the Province of Ontario have a right to know and it should not go on in secret discussions about matters that are of the most serious public importance. I ask the Treasurer—he is the No. 2 man over there—what is the opinion of the government of Ontario? Surely we have a right to know your opinion as to offtrack betting?

Granted, Mr. Chairman, that the government of Ontario cannot by itself amend The Criminal Code, but certainly I know from my conversations with the federal Minister of Justice, and I know from my conversations with many people involved in the government at Ottawa, that they are most anxious to hear in a loud and clear voice what Ontario wants to have done in relation to offtrack betting. But we are back again to this strange, ambivalent, schizophrenic approach of this government, which refuses to take the people of Ontario, or the members of this Legislature, into its confidence.

This afternoon we have come full circle again, and the minister says, “It is under the most active consideration and I am not a lawyer and I do not understand the niceties of it, and in due course you are going to get an announcement from the Premier, or from the Attorney General, or from somebody about what we are going to do.”

How long do we have to wait? Every day that goes on there are more of the dangers that have been outlined in the various remarks made this afternoon and made by others, including myself, at an earlier date. The danger is aggravated, the abuse is more flagrant, the minister drools more toward the anticipated revenue, and all he can tell us today is that the matter is under active consideration and some day soon we are going to have an announcement.

I say, Mr. Chairman, that that is not good enough. I say, Mr. Chairman, in light of what is happening, does the minister ever look to the United States? Has he noticed, in the last week or so, the controversy that

is raging as to whether or not several American newspapers should be able to publish documents that the federal government in Washington thinks they should not be able to publish? Has he got his ear close enough to the ground to note the arguments in favour of publishing—that the public has a right to know unless the security of the state is being threatened?

That is a pretty logical premise and a pretty logical statement of position. But according to this government, we here in the opposition and the people of Ontario have no right to know anything and it has the right to waffle.

The day of reckoning is coming, Mr. Chairman, and if the Treasurer has no more to tell us than he told us this afternoon and if he is not going to be rescued from this unenviable position by his Premier or by the Minister of Financial and Commercial Affairs, or by the Attorney General, well, it is obvious that the attitude they have to these persons they are trying to protect with their new and great decisions, is that they hold the people of Ontario in the greatest contempt.

Mr. Lewis: Right. It is the first time the New York Times has ever been enlisted as his supporter.

Mr. Chairman: Does the hon. minister have any comments?

Hon. Mr. McKeough: No.

Mr. Lewis: What does he mean, he has no comments?

Mr. Chairman: The hon. member for Hamilton East.

Mr. Lewis: Under that provocation, no comments?

Mr. Gisborn: Well then, Mr. Chairman, I just wanted to complete the question. My thoughts got a little off base and I lost track of it.

I am told that the parimutuel clerks are organized. Could I be told with what union?

Hon. Mr. McKeough: I will get that information. I am afraid I do not have it.

Mr. Chairman: Any other discussion on this particular item? The hon. member for Grey-Bruce.

Mr. Sargent: Mr. Chairman, has the racing commission met with the Treasury Board in regard to offtrack betting?

Hon. Mr. McKeough: No.

Mr. Sargent: Would the minister or his advisers know the cost of a racing charter?

Hon. Mr. McKeough: No, I would not know that offhand. There are none available.

Mr. Sargent: How does one get a racing charter?

Hon. Mr. McKeough: None have been issued in this province for—I do not know how many years.

Mr. Sargent: Would the minister tell me why not? Does he know why not?

Hon. Mr. McKeough: It was a decision of the government not to issue any further charters.

Mr. Sargent: How did they get one in Windsor for the Windsor Raceway?

Hon. Mr. McKeough: That was the last one that was issued.

Mr. Sargent: It was—

Hon. Mr. McKeough: I am sorry; I should correct that. There was one issued last year to Frontenac Downs Holdings Limited in Kingston for just the normal incorporation fee.

Mr. Sargent: Who were the principals involved there?

Hon. Mr. McKeough: I am sorry; I cannot answer that.

Mr. Sargent: Would the minister agree, would it be political?

Hon. Mr. McKeough: No; it would not be political.

Mr. Sargent: No politics involved? The fact that the former Lieutenant Governor, Mr. Rowe, got one in Windsor had nothing to do with politics?

Hon. Mr. McKeough: No.

Mr. Sargent: How often does the— is the Racing Commission here today?

Hon. Mr. McKeough: No.

Mr. Sargent: Why are they not here today?

Hon. Mr. McKeough: The officials are here like any other department. If it is the wish of the committee on government commissions to call the commission—

Mr. Sargent: Mr. Johnston, Mr. MacKinnon, Mr. Martin, Mr. McKee, Mr. Todgham, Mr. Wallace, Mr. Webster. Are any of them here?

Hon. Mr. McKeough: No.

Mr. T. Reid (Scarborough East): Which Johnston is that?

Mr. Sargent: Does the minister not think they should be here before the House?

Hon. Mr. McKeough: No.

Mr. Sargent: So there are no charters available, but one was issued last year. If one applied for one this year, he could get one?

Hon. Mr. McKeough: Yes; I am sorry about that. I assumed one could not. One goes through the Minister of Financial and Commercial Affairs.

Mr. Sargent: How much would it cost to get one?

Hon. Mr. McKeough: Just the normal incorporation fees, nothing special.

Mr. Sargent: So if I were to approach the minister with a group tomorrow for a charter, we would be able to get a charter?

Hon. Mr. McKeough: It would depend where.

Mr. R. F. Ruston (Essex-Kent): Chatham.

Hon. Mr. McKeough: There is the Chatham Jockey Club Limited which is owned by the Jockey Club—no, that shows on the annual report of the Jockey Club on its stationery.

It would be processed through The Department of Financial and Commercial Affairs. The advice of the Racing Commission would be asked. It would not be in the public interest or in the interest of horse racing generally, for example, to open another track now in Kingston. One would probably be turned down there, but in some place where legitimately there is room for a track—yes, it might well be granted.

Mr. Sargent: The Racing Commission is the only way that the public has access to this great sport. How would the Treasurer suggest that we as the opposition could talk to the Racing Commission?

Hon. Mr. McKeough: It is all under the committee on government commissions, where they have appeared, I think, if I am not incorrect.

Mr. Sargent: So there is no such committee any more?

Hon. Mr. McKeough: One of the standing committees is empowered to see them. I do not know which one.

An hon. member: Natural resources.

Hon. Mr. McKeough: Natural resources? Not human resources.

Mr. Sargent: This whole show should be on television. We have a vote here. The government spent \$236,000 on services and expenses of officials at the track. How much of this would be a breakdown for entertainment or expenses?

Hon. Mr. McKeough: None.

Mr. Sargent: Expenses, eh? Nothing for entertainment?

An hon. member: Just for oats and water.

Mr. Sargent: Is this a fact? There are no expenses, nothing for entertainment?

Hon. Mr. McKeough: Stewards, veterinarians, judges and the clerks.

Mr. Sargent: I have got a vote here of services and expenses of officials at track—\$236,000. That is a lot of expenses.

Hon. Mr. McKeough: Where is the hon. member looking?

Mr. Sargent: I am looking in the public accounts, Mr. Minister, on page 24-4.

Hon. Mr. McKeough: I am sorry, we are looking at the estimates.

Mr. Sargent: I hate to say this but how do we—I do not expect the minister to know the answer, he cannot possibly know the answer to all of these things, so why does he not bring us some people here and tell us some answers?

Hon. Mr. McKeough: They should go to the committee because we do not bring members of commissions before the Legislature.

Mr. T. Reid: What about the ETV commission?

Vote 2409 agreed to.

Mr. Chairman: This completes the estimates of The Department of Treasury and Economics.

Mr. Singer: Mr. Chairman, are you suggesting we call it 6 of the clock? It not being quite 6 of the clock, could we have some positive answer as to what is going to happen at 8? Are we going to the Attorney General's estimates or are we going to legislation?

Hon. Mr. McKeough: We have the rest of the estimates—we have Treasury Board, Secretariat, Civil Service, Provincial Auditor.

Mr. Singer: No, but here. Are we going to the Attorney General at 8 o'clock?

Hon. Mr. McKeough: No, here we are going on with the other estimates for which I am responsible.

Mr. Lewis: Treasury Board, Civil Service, Provincial Auditor—

Interjections by hon. members.

Mr. Singer: I recognize they are separate estimates, but I have gotten three different answers from three different ministers to this.

Mr. Chairman: The hon. minister has the floor.

Hon. A. A. Wishart (Minister of Financial and Commercial Affairs): Mr. Chairman, I do not know what three different answers the member for Downsview speaks of. These estimates are not concluded, there are the estimates of the Provincial Auditor, the Civil Service, I understand—

Mr. Pilkey: They jumped the gun over there and hammered the desks.

Hon. Mr. Wishart: —and Treasury Board. They will take some little time, I expect, and they will continue this evening at 8 o'clock.

Mr. Sargent: Why does the hon. minister not sell tickets to the gallery?

Hon. Mr. Wishart: Yesterday, as the House concluded sitting I stated to the House in response—perhaps not in response to a question in order that the House might know—that if these estimates were to conclude this evening, I would hope to have the Provincial Secretary (Mr. Yaremko) deal with two of his bills. I mentioned them, the two bills—liquor bills—which are in Committee of the Whole House. I understood that the Minister of University Affairs (Mr. White) would like to carry forward the next stage of his bill—University of Toronto. Then the next estimates to follow are those of the Attorney General, The Department of Justice.

I think I sent a note to the whip—the member for Algoma-Manitoulin (Mr. Farquhar) and I did not recently indicate to him or reiterate those things suggested, that the next estimates would be those of the Attorney General. Perhaps while I am on my feet, I would like to insert that legislation. I think the House would be glad to see that get forward.

Now I have to tell the House that—

Mr. Sargent: Tonight, sir?

Hon. Mr. Wishart: Tonight.

Mr. Sargent: Before these estimates?

Hon. Mr. Wishart: No; these estimates will conclude and, then, before we bring on the next department, there will be that legislation that I mentioned. I should tell the members of the House that in committee, I understand, Transportation and Communications has concluded. Due to certain circumstances, which I hope I do not have to relate in detail—

Mr. H. Peacock (Windsor West): The minister has no control?

Hon. Mr. Wishart: —Education is not immediately prepared to follow. But Trade and Development was prepared to go forward this evening and I suggested that it do so. I think those arrangements are under way.

Mr. Sargent: What does that mean they are moving on tonight?

Hon. Mr. Wishart: That is what—

Mr. Sargent: Why were we not advised then?

Hon. Mr. Wishart: Because it only happened 20 minutes ago.

Mr. Lewis: On a point of order, Mr. Chairman, I do not know to whom one appeals for a ruling. Obviously the House leader dictates the business. But I just want to say to him that at 20 to 6 in the afternoon to inform the opposition that so major a change as to shift Education out of the picture and to shift Trade and Development in, when opposition spokesmen had no time for preparation, I mean, is just an absurd way to run the business of the province. We want to get our hands on to both of them. Make no mistake about it. We want to meet this minister in committee, but we think it is profoundly unfair and a chaotic way to run the business of the House.

Mr. T. Reid: Idiotic and chaotic.

Mr. Lewis: The thing to do is to just forget about the evening session of committee. Bring it all tomorrow or bring it on Monday. But give members some time in advance to know what is going to happen. We have members here who are profoundly interested in Trade and Development who cannot be here this evening, but who would like to be here—two, in particular, who have other commitments and thought that Education would be on and cannot participate in that.

I just do not think that the minister can toy with the members of the House in this fashion. I really think he should reconsider about the committee.

Hon. Mr. Wishart: Mr. Chairman, this House has been sitting for three months. I am sure that every member in the opposition who is not ready to deal with the estimates of any department should be. I do not accept their excuses. I regret it was necessary to change the arrangements.

Mr. Lewis: Oh, come on!

Mr. P. D. Lawlor (Lakeshore): The minister has to give some fair warning—

Mr. Lewis: Does the minister want to pass it out on the floor of the House why we cannot have Education tonight? What about ministerial responsibility, never mind about the members of the House.

Hon. Mr. Wishart: May I complete what I have to say?

Mr. Lewis: A lot of nonsense!

Hon. Mr. Wishart: I regret this as much as the hon. members—

Mr. MacDonald: That is not the point—

Hon. Mr. Wishart: He tells me that there are members of his party who cannot be here tonight.

Mr. MacDonald: Because we were told that Education was going to be here—

Mr. Lewis: We will bring them back if necessary; they have a sense of responsibility and will be here. But the minister should not throw this into the hopper at 5:40. This is not a government, this is a shambles.

Hon. Mr. Wishart: We sat still while the hon. member was on his feet and listened

to him. He tells me there are members of his party who cannot be here—

Mr. Lewis: They will be here.

Hon. Mr. Wishart: The reason Education did not follow is because the minister (Mr. Welch) had commitments. Now I think it is the duty of every member of the House to be here either in estimates or about the business of this House, and there is no reason why—

Mr. MacDonald: Including the ministers.

Mr. Lewis: What about the ministers?

Hon. Mr. Wishart: So should the minister, but the minister has obligations. I do not think, Mr. Chairman, that this is an occasion to make a great to-do because this is not done to jockey or to take any advantage and—

Mr. Lewis: We are making a to-do because this happens every day during the session.

Mr. Sargent: A point of order.

Hon. Mr. Wishart: I have the floor still. All I say is that I am sorry that this change had to come about but it was reasonable I think in the circumstances. And I conclude by saying that it is the duty of all members of the House to attend to the business of the House.

Mr. Lewis: Duty! Where is the Minister of Education?

Hon. Mr. Wishart: He is attending to the business of his department.

Mr. Lewis: The devil is attending to the business—

Mr. Chairman: The hon. member for Algoma-Manitoulin.

Mr. S. Farquhar (Algoma-Manitoulin): The first curve that was thrown at us was not really a curve. I understood that we would finish the estimates that had to do with the present minister; the present estimates we would finish. But the other matter was a matter that came up around here, and the whips made something of an agreement about 4 p.m. to the effect that the estimates of Education would not be heard downstairs until Monday, contingent on the fact that there would be no estimates heard downstairs. That is the whips' agreement.

Interjections by hon. members.

Mr. Farquhar: I can tell you that the whips said, "Fine, fine; the minister has an obligation which we understand. We have done that many times, so we will not go ahead with Education."

That is fine, but there was no suggestion that we do anything other than start Education sometime Monday, and that is the way the matter stood—

Mr. Lewis: What is the frantic rush? What is it all about?

Mr. Farquhar: —and that is the kind of thing that has been circulated between these two parties from then until this minute.

Mr. Chairman: In any event, I presume we will be back in committee of supply.

Interjections by hon. members.

Mr. Chairman: It is 6 of the clock.

Mr. Singer: Mr. Chairman, we have got to settle this thing.

Mr. Chairman: I can leave the chair if I so wish, according to the rules of this House.

An hon. member: All right, leave it in chaos.

Mr. Ruston: You do not do much anyway.

Mr. Singer: Mr. Chairman, I think that we are entitled in some way to try to find out whether the word of the Conservative whip is meaningful and can commit anybody; whether the Minister of Financial and Commercial Affairs, who is apparently the House leader, can give any word with authority, or whether, a half an hour ago when I spoke to the Minister of Revenue (Mr. Winkler) who said he was the House leader and he told me what he thought was going on, that means anything.

Surely, Mr. Chairman, a government that claims to be an efficient government can make up its mind an hour in advance as to what it is going to do and can delegate responsibility for advising the other people in the House. I understand, for instance—let us come back upstairs for a minute—that the Attorney General is not going to be available tomorrow morning. Now if we are going through four or five more departments or branches that the Treasurer is responsible for, which I did not understand until just a few moments ago, and then we are going to get the Provincial Secretary's bills, is there any point in having half an hour of Attorney General's estimates on Tuesday evening—

Mr. MacDonald: The University of Toronto bill after Provincial Secretary.

Mr. Singer: —and then shoving the rest of the Attorney General to start again in force on Monday? Surely, Mr. Chairman, we can expect some businesslike intelligence out of this government and we have got none at this moment.

Mr. T. Reid: Mr. Chairman, I would just like on that point of order to make it very clear to the House leader that the Minister of Education is off on yet another speaking engagement to probably a ladies' auxiliary

somewhere. I am just making that a simple point.

Mr. Chairman: This is not a point of order.

Mr. T. Reid: He has got an obligation to be here instead of coming up with this matter and having to put things aside. The House leader should not go standing on his effrontery.

Mr. Chairman: I must be guided by the rules of this House. I do now leave the chair.

It being 6 o'clock, p.m., the House took recess.

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ONTARIO

Legislature of Ontario Debates

OFFICIAL REPORT — DAILY EDITION

Fourth Session of the Twenty-Eighth Legislature

Tuesday, June 29, 1971
Evening Session

Speaker: Honourable Fred McIntosh Cass, Q.C.

Clerk: Roderick Lewis, Q.C.

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THE HOUSE OF COMMONS

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LEGISLATIVE ASSEMBLY OF ONTARIO

TUESDAY, JUNE 29, 1971

The House resumed at 8 o'clock, p.m.

Mr. A. Carruthers (Durham): Mr. Chairman, I rise on a point of personal privilege. I want the record to show that I was not part of the discussion with respect to the postponement of the Education estimates until Monday. I was not aware that any arrangement had been made and neither were the deputy whips. I want the record to show that.

Mr. Chairman: Let the record show the correction.

Mr. R. Gisborn (Hamilton East): Touché.

Hon. A. A. Wishart (Minister of Financial and Commercial Affairs): Mr. Chairman, in view of the discussion in which we were engaging at 6 o'clock when the House rose, I think perhaps I should have made it clear that there would be no sitting of the committee of estimates this evening. I understand that they will not likely sit tomorrow, but on Monday.

I think it fair to say at this time that I have asked our whip to inform the other whips that possibly it might be arranged that the estimates of The Department of Trade and Development could be proceeded with on Monday. That is a matter which I would hope might be agreed upon in a reasonable way. So there we are.

Mr. T. P. Reid (Rainy River): Whose word are we to take? Are we to follow the whip's word on this thing?

Mr. S. Lewis (Scarborough West): On a point of order, Mr. Chairman. I think it only right that someone on this side attest to the virtue and nobility of the House leader on this occasion.

Interjections by hon. members.

Mr. Chairman: Perhaps the hon. House leader would call the order for the committee in supply.

Mr. Lewis: If the minister is not too flustered.

ESTIMATES, TREASURY BOARD

Mr. Chairman: Estimates of the Treasury Board, page 334.

The hon. minister.

Mr. E. Sargent (Grey-Bruce): Mr. Chairman, let us follow the vote this time.

Mr. L. C. Henderson (Lambton): The member for Grey-Bruce should smarten up.

Mr. Chairman: Does the hon. minister have any introductory comments?

Hon. W. D. McKeough (Treasurer of Ontario and Minister of Economics): I am pleased to move the estimates of the Treasury Board as shown on page 333 et al of the estimates.

Mr. Chairman: The hon. member for Kitchener.

Mr. J. R. Breithaupt (Kitchener): Mr. Chairman, I just wanted briefly to comment on one item in the Treasury Board secretariat programme and hope that the sum of \$100,000 has now been set aside for the implementation of recommendations of the Committee on Government Productivity. So far we have been favoured with two interim reports on behalf of this committee and they have been most useful, especially, as I will hope to relate in the discussions, with respect to the Provincial Auditor in the general audit function.

I am wondering if the minister can advise us as to the expected breakdown of these expenditures of \$100,000. The second portion of the board of course, deals specifically with the productivity improvement project, along with the new activity. The total remaining has somewhat increased, substantially increased, over the previous year.

Within this area itself, now that we have the membership of the Treasury Board substantially changed as a result of the new cabinet decisions of the Premier (Mr. Davis), I wonder if the minister can tell us the actual detail with respect to the planned implementation that needs to be carried on in this form, rather than through the actual operations of

the department upon which the committee has commented.

Hon. Mr. McKeough: This \$100,000 was placed in the estimates—

Mr. Chairman: It is up to the hon. minister, but usually the procedure in estimates is for the critics from both opposition parties to make their comments first.

Hon. Mr. McKeough: Oh, all right.

Mr. Chairman: Is there a critic for the New Democratic Party?

Mr. D. C. MacDonald (York South): Are we starting afresh?

Mr. Chairman: Yes, we are starting with the Treasury Board.

Mr. R. F. Ruston (Essex-Kent): The member does not have to say anything. It is all right.

Mr. T. P. Reid: That lets him off the hook.

Mr. MacDonald: It certainly would not let you out of being fresh is the appropriate retort.

Mr. T. P. Reid: I must admit, I am fresh.

Mr. MacDonald: Mr. Chairman, there is a general comment that I would like to make with regard to the secretariat.

I have some specific problems that I would like to raise in terms of the Treasury Board and its operations. I do not know whether I am breaching protocol in anticipating a report of the public accounts committee but if so I breach it nonetheless—in the presence of the chairman.

Mr. Breithaupt: Breach away!

Mr. MacDonald: I have been interested for a number of years in the amount of moneys that is authorized by Treasury Board orders. This past year it was close to \$250 million. As I recall last year it was in the range of \$150 million or so.

My original interest in this topic was that it seemed to me a Treasury Board order provided an opportunity for authorization of money without this House being able to review the proposed expenditure. In short, that it was short-circuiting the traditional rights and responsibilities of the Legislature. It is much more complicated than that, I discovered as we got into some very useful discussions with Treasury Board officials.

I discovered, for example, that a significant proportion of the Treasury Board orders were merely to authorize the switching of the expenditures from one estimate which had already been considered by this House but, through experience, it was discovered that it was not going to be spent there, and the department wanted to authorize its expenditure in another programme.

Mr. Sargent: It is called stick handling.

Mr. MacDonald: No, not necessarily stick handling. It is normal business, I think, in any efficiently operated business which it is just possible the hon. member for Owen Sound might be familiar with. Toward the end of the fiscal year you might discover you had overestimated your expenditures in one branch of the business and you had underestimated them elsewhere. Or because of changing circumstances you wanted to switch the expenditure of that money.

It seems to me that is a fair enough proposition. However, there is another procedure whereby if a single dollar—and I make the case a bit ludicrous but it is still legally valid—if a single dollar has been passed as an appropriation in this House, it is within the right of that department to come back to the Treasury Board and, for example, to seek and get authorization for the expenditure of \$1 million.

As long as \$1 has been appropriated, the door is open to seek further expenditures of any amount from the Treasury Board. And that would be done without any consideration by this Legislature. It might, under circumstances when the Legislature is sitting, be covered by supplementary estimates.

Mr. Breithaupt: This is the new money problem.

Mr. MacDonald: The new money problem, right. New in the sense that it is an extension of what I illustrate my case by, as a \$1 appropriation that could be extended to literally any figure at all and be within the law. The only way one can, I think, regularize this and make it possible for members of the Legislature—or at least those members who are in the public accounts committee—to do their job is for the Treasury Board to distinguish between the two categories of Treasury Board orders.

I put this to the minister, as to whether or not this could not be considered for your future procedures. Namely, if it is a Treasury Board order merely switching moneys, that

it be so indicated. If it is a Treasury Board order authorizing new moneys, that it be so indicated. Therefore it would be possible for anybody, including members of the Legislature, to be able to assess the situation rather readily.

There is one other point that, I must say, as a new member on the public accounts committee, rather intrigues me. I had always regarded, as I have already intimated, the authorization of the expenditures of money by the Treasury Board during the course of the year as a somewhat questionable procedure. I must say, as a theoretical proposition, I am now persuaded to the point where I believe it might be useful if there was a bit more sharp examination in the first instance of the prospective expenditures of every department so that they would have no "fat" in their estimates, no cushions in their estimates, and any time they needed more money they would have to come back to the Treasury Board.

Mr. Sargent: What good would that do?

Mr. MacDonald: I know that this might not be the kind of thing that would be viewed with great favour by those who have to run the department, because I understand the Treasury Board is a pretty formidable body.

Mr. Sargent: It would not change anything.

Mr. MacDonald: It would change something. It would mean that you would really be paring down in the original authorization of estimates and therefore conceivably you would be saving the expenditure of money that perhaps was not absolutely necessary in that year. But, because they have it, it will be spent.

Another problem that I draw to the attention of the minister is that actually departments will ask their various branches to make their proposals for the estimates as early as May or June, for example, to go before the Treasury Board any time from September through to January, as the estimates of the various departments are being reviewed in preparation for the budget. It is conceivable that the money will not be spent until a year from next March; in other words, in the last month of the fiscal year. It seems to me that if you do not have a pretty tight rein, inevitably you are going to have "fat" in your estimates, that will have to be switched by Treasury Board order.

Mr. Sargent: Why do you not tell the truth and say the civil service makes the estimates up, not these guys?

Mr. Chairman: Order.

Mr. Sargent: Tell the real truth. These fellows do not do anything.

Mr. Chairman: Order! The hon. member for York South has the floor.

Mr. Sargent: He thinks he has.

Mr. Chairman: The hon. member for York South has the floor.

Mr. MacDonald: I have made my point, by way of some reflections on the operations of the Treasury Board in relation to estimates. In the coming year, if it is my good fortune—and I say that honestly now—I looked forward with rather modified enthusiasm to being a member of the public accounts committee this year. But I have found it is a rather fascinating committee, so if I am back there next year it will be with pleasure and I will see to what extent the minister is willing to entertain some of these words of wisdom, assisted by the hon. member for Grey-Bruce.

Mr. Chairman: Does the hon. minister have any comments before we call the vote?

Hon. Mr. McKeough: No. I will answer those comments though.

Mr. Chairman: All right. Maybe I had better call the vote first. Vote 2501, item 1.

The hon. minister has suggested he has no further comments, we will deal with the items as they arise during the calling of the votes.

Hon. Mr. McKeough: I can answer the point that was raised, though—the two points, Mr. Chairman.

Mr. Chairman: All right.

Hon. Mr. McKeough: First of all, on the \$100,000—and the \$100,000 in the first vote is closely tied in with the second vote, so perhaps it will not hurt if I deal with it now. That \$100,000 was certainly placed with my authority. It was there, I think, for some months before I arrived on the scene, but it was placed in the estimates with my authority. Perhaps it is not a bad example of what the hon. member for York South has been talking about; let us perhaps trespass on to the second vote just a little bit.

I think one of the secrets of the Committee on Government Productivity in setting out to do their work has been—perhaps two of the secrets—one has been the involvement on an equal basis of both senior civil servants with, in the case of COGP, five people from the business community. Together they have sat down and wrestled with various problems, I think frankly, each learning something from the other.

The second secret of that approach, rather than just defining the problem, which is perhaps what Glassco did, is that very early in the game COGP recognized that the secret to their ultimate success was the implementation process. And without taking away anything from the five civil servants who sit on the COGP group—if I can put words in the mouth of the former Treasurer and perhaps in the mouth of the chairman of COGP—they are there not only for what they can bring to bear on the problems facing government now, but they are there particularly because, hopefully, what COGP recommends, having sold in this case a group of five senior public servants, those recommendations stand some hope of being implemented.

I do not think I am telling any tales out of school when I say all that, but that was one of the reasons that the Glassco commission at Ottawa did not achieve all the success which it might have achieved. It was brought in, as you know, as a final report with I have forgotten how many recommendations, some of which have never been implemented.

Mr. Cronyn's group, in setting about to do their work, said, "We are going to bring in interim reports" and there have been two, and the recommendations of the two have all been adopted and most of them are in the process of implementation. The third, fourth and fifth reports of the committee will contain many more recommendations than the first two reports and what Mr. Cronyn's group is particularly concerned with is that they ultimately be implemented. The best way of implementing them was to involve three or four or five of the top senior civil servants in the process of arriving at certain decisions, and then perforce, when Mr. Cronyn et al had returned to their respective capitalistic enclaves—I say that for the benefit of the leader of the New Democratic Party (Mr. Lewis)—there would be some hope that the recommendations would be carried through through the bureaucracy.

Now, that is the background, and I think it is a good one, I think it makes sense.

The Committee on Government Productivity recommended informally that there be an implementor, and let me say that it was agreed by the government early in the game that the recommendations which came from COGP would be divided into two parts: those which involved the reorganization of the cabinet itself, which would be dealt with by the cabinet, therefore the Prime Minister, and those which involved the reorganization of government below the cabinet level, and that task was assigned to the Treasury Board.

Now I say to the member for York South that six, or seven, or eight months ago, when these estimates were prepared—or even four months ago when these estimates were looked over by the present minister—it seemed reasonable to put money in the Treasury Board secretariat for the implementation of whatever recommendations might come forward from COGP. That seemed like a good idea. The thought at that point was to second a senior deputy minister for a year, or two years, or a deputy minister, to implement the recommendations.

I think this may change, quite frankly, in the next few weeks or few months. The thought is now that the recommendations probably will be implemented by the secretariat of the Treasury Board, and by the deputy minister of the Civil Service Commission, in terms of the utilization of human resources study. We have probably abandoned, or my advisers have abandoned—they really have not asked for my opinion, I might say at this point, which is fine—they have abandoned the idea of appointing and implementing the deputy minister to try and pull all this together.

Within the \$100,000, what I am saying is that perhaps none of it will be spent. Some of it may be spent in assistance to those two deputy ministers in getting the report implemented. I think this is a case in point, really in verification to what the member for York South said as to how fast the ball game can change between the preparation of estimates and at this point in time when I stand in the House to defend them. I honestly cannot tell you whether the \$100,000 will be spent in the way that I have envisaged, or not spent, or spent in some different way, between now and the end of the year.

That is one of the problems in coming to a Legislature once a year—and we do, over a six-month period—with annual estimates. The member for York South has criticized, and I think with some justification, perhaps,

the fact that last year, or in 1969-1970, the Treasury Board orders totalled some \$250 million which, of course, was considerably more than they had ever totalled before. I can only say in partial justification of that that if you subtract the payment that was made to the Ontario Hospital Services Commission, and if you subtract the amount of money which was advanced to The Department of Education prior to supplementary estimates, you knock off over \$150 million of that and come back down into the \$100 million ball park, where Treasury Board orders have normally been, which is a percentage of the total budget now of over \$4 billion, or probably in 1969-1970, \$3 billion. It is a very small amount.

Treasury Board orders, plus the original estimates, have only exceeded the original estimates, I think, twice in the last 11 years. And we have given this, I may say, some thought, and I think COGP are giving it some thought.

I ask myself this question, as chairman of the Treasury Board, very basically and very realistically—

Mr. Sargent: What are the Treasurer's qualifications for head of the Treasury Board?

Hon. Mr. McKeough: —how hard do you put the screws?

Mr. Sargent: What are your qualifications for head of the Treasury Board?

Mr. Lewis: They are better than anyone else's over there.

Mr. Sargent: They are twice as good as nothing, and that is nothing.

Mr. MacDonald: There used to be a muzzle in the kennels to cope with baying like that.

Mr. Sargent: He is telling you what you want to hear.

Mr. Chairman: Order!

Mr. Lewis: He is interesting, let him speak.

Mr. Sargent: He is the chairman of the Treasury Board, look at him.

Mr. S. J. Randall (Don Mills): That is why he is chairman.

Mr. Chairman: Order!

Interjections by hon. members.

Mr. Chairman: Order!

Hon. Mr. McKeough: The question which one asks oneself, as chairman of the Treasury Board—and I have discussed this with my predecessor and I have discussed it with the predecessor of my predecessor, who is now a member of the public accounts committee, and I think nearly all of us in this House have a great deal of confidence in that man's financial sagacity. It is a question as to how hard you put the screws on, to put it very bluntly, before you break the straw on the camel's back. If you really put them on, let me say this, if you really put them on—

Mr. Lewis: That is going to be a marvelous metaphor when you look back in Hansard.

Hon. Mr. McKeough: Well, it is after the dinner hour. It is after the dinner hour, I say to my friend the leader of the NDP—you strive for co-operation, you strive for a commitment of doing something about government expenditures and you do this within the emerging atmosphere coming from COGP, for example. I do not think this is anything new, but they are restating the philosophy very strongly of letting the managers manage and I am not a manager. I am a policy-maker.

We are policy-makers in this House and we are now paying civil servants, who are managers, a maximum now of \$40,000 a year. It is our job, as policy-makers—on this side I suppose, particularly, but as a Legislature—as we vote the estimates to put so many millions of dollars in an estimate and in effect, in large measure, turn it over to that manager with goals and objectives to manage that money.

I say to you quite frankly that to my knowledge—and I cannot speak for these Treasury Board orders, I can only tell you what has happened in the last six weeks—and from my prior experience four years ago, that we are terribly impressed when a deputy minister comes before us and says, "Look, I want another \$100,000 and two people to do something, but I can save that over here. Will you approve that kind of a switch?" And I think invariably we have. I must say the fact crosses our mind that he padded the one vote to begin with but, frankly, with 70,000 civil servants, 24 highly capable deputy ministers—you know, schooled by Machiavelli, I am sure, to put things over on Treasury Board—they do a very good job with sincerity. We try and play that role with them and leave it to them as much as we can

to manage what are the goals and the priorities of the government.

I say to you, quite frankly, that I do not think the goals or the priorities have been as clearly enunciated as the Treasury Board would like to have them. Too often we have found ourselves having to make a government policy which is not the role of the Treasury Board. The whole system—and perhaps you will get into this with the Prime Minister and his estimates, or in these estimates under the next vote really—the whole system of cabinet committees and the cabinet secretariat has been strengthened. It is in the process of being strengthened; it has really just begun. It is not going to happen overnight.

There is a policy in priorities committee to which we, in Treasury Board, find ourselves, perhaps once each meeting, referring things to and saying, "This is up to the government to decide, as a whole, to recommend to the cabinet, whether you want to do this and not that." Having decided to do something, then it is the job of Treasury Board, the management committee, to administer that in the best way possible.

I do not want to prejudice what COGP are going to say, but there is no question that what is coming true is that we as politicians have to, I think—

Mr. Sargent: We will never know what they say, will we?

Hon. Mr. McKeough: —separate our roles to a greater extent than we have in the past—

Mr. Sargent: How will we ever know what they say?

Hon. Mr. McKeough: —between the policy-makers and between the managers, and let the managers, who are the civil servants, go to it to a much greater extent than we have in the past.

Now, those were sort of rambling remarks. I noticed quoted in the press the other day the remarks, in the public accounts committee, of the former Treasurer, who questioned Treasury Board orders which were put through in the last months of the year. Some of those were cancelling, as I think he explained to you, authorization for commitments but some of those remarks were well taken and those are the things that we are looking for.

But we are quite sure that with 70,000 civil servants and with \$4 billion we are going to accomplish a great deal more by

education, by co-operation, by understanding, by trust, by leaving the management job to the managers than we ever will by wielding an enormous club or a great big stick, although I would have to admit that there are times when the chairman and the members of Treasury Board lose their temper and use the big stick approach as well.

Mr. Chairman: Before I call the vote, I wonder if the committee would permit a very brief interruption? I am sure the committee would be interested to learn, and I may say it has just recently come to my attention, that today is the birthday of one of our dedicated, devoted, revered individuals. Major Geary, Sergeant-at-Arms, is celebrating his birthday today.

Interjections by hon. members.

Mr. E. P. Morningstar (Welland): How old is he—39?

Mr. Chairman: Vote 2501. The Treasury Board secretariat.

The hon. member for Kitchener.

Mr. Breithaupt: Just one other comment, Mr. Chairman, not particularly on 2501, because I would think that the secretariat as such does not really—

Mr. Chairman: I am not going to be restrictive on this.

Mr. Breithaupt: I do not think it is really—

Hon. Mr. McKeough: Let us take the two votes together.

Mr. Chairman: That is satisfactory.

Mr. Breithaupt: This would be satisfactory certainly. It would appear then that the basic requirement for this \$100,000, having raised the point, is in effect to provide an interim staff kind of bridge between the actual recommendations and the ultimate decision as to how those decisions would be implemented and, on that basis, it would appear quite reasonable.

I have no further comments. I have some on the committee, but perhaps there are those that wish to speak particularly to vote 2501.

Mr. Chairman: The hon. member for Hamilton East, who alternates the parties.

Mr. Gisborn: Mr. Chairman, the minister recalls that he was questioned this afternoon—I think it was this afternoon—regarding the promise made by the government to the

corporation of the city of Hamilton in regard to the development of the civic centre. I refer specifically to the theatre auditorium and the trade centre.

I do not know just how the government operates in this field. I think the best that I or the city council know about the so-called promise of \$2 million for the building of the theatre auditorium and the trade center, I remember the statement being in the press. It has been referred to many times in the development and problems of the now Lloyd Jackson Civic Centre. I wondered if the minister could enlighten me and maybe set at ease some of the frustrated councilmen in Hamilton.

I see in last night's paper that they had a little squabble over whether they should even have nerve enough to request the government to live up to its promise. Some felt that this would be getting the city into more debt through a grant purpose. Some felt that it was not a grant; it was an outright promise. Others felt that they should forget just asking for the promised \$2 million, but they should ask the government to take over the total cost of the development of the theatre auditorium and trade centre.

But it makes one wonder, if, in the sense that it was a promise at that time, and if the federal government had come through with their share, I think it was made in good faith, but it was made on the basis of a matched grant—that if the federal government put up their \$2 million, that the provincial government would match it with \$2 million.

Now there have been references to the fact that, possibly, after some delay and some problems which they have had in Hamilton with their civic square development that maybe the conditions could have been taken off this promise and the government could be approached.

I do not like the way it was raised last night in council, because they are now getting entangled in direct politics, a sense of conflict of interest, inasmuch as the chairman, I guess, of the auditorium committee—its promotional committee—is the Progressive Conservative nominee in Hamilton West.

Nevertheless, I think that we should disregard the kind of political manoeuvring that is going on in the council over this situation. The government should make up its mind as to whether or not it can live up to that promise in one way or another, whether it is going to take a dog-in-the-manger attitude or maybe a political attitude and say, "Look,

we will stick to our promise and match our \$2 million if the federal government comes across with theirs."

But I think at this stage it is time to stop that kind of quibbling and tell the city of Hamilton, once and for all, to get these controllers off the hook and let them get ahead with the job, that they are either going to get the \$2 million under a condition, or they are going to get it and tell them when they are going to get it so they can go ahead with their job.

Hon. Mr. McKeough: Mr. Chairman, I would not know anything about politics in this situation or any political connotations—

Mr. V. M. Singer (Downsview): Oh, perish the thought!

Hon. Mr. McKeough:—which the member has raised.

Mr. MacDonald: The minister should smile when he says that.

Hon. Mr. McKeough: Yes, I put my hands out like this, too. Did the member get that?

Mr. MacDonald: That is a Frost benediction.

Hon. Mr. McKeough: However, I do know a little about the history of this. Certainly several years ago, the then Prime Minister (Mr. Roberts)—

Mr. Gisborn: Not too far, just before the last election.

Hon. Mr. McKeough: Yes, I seem to recall that—it was some three or four years ago. He indicated that we had been approached by the city of Hamilton to see if we would participate in the civic centre auditorium. We indicated that we would if the federal government would also do so, and that we were prepared to put up \$2 million if the federal government would do so.

I may say that my knowledge of this stems, not so much from that government pronouncement, but from the association which I had in Municipal Affairs with, what is somewhat related, the downtown urban renewal in Hamilton, which has had a number of pitfalls but has to be one of the more ambitious projects undertaken by any city, I think, in Ontario. It is one which, after a great deal of sorrow and anguish, I am sure will prove to be a highly successful project.

I had some familiarity with that in Municipal Affairs and the problems which it went through about tenders, contracts, and so on, and I therefore became involved in this particular situation.

Mr. Gisborn: There were a few twisted priorities in the whole deal.

Hon. Mr. McKeough: Perhaps, but at any rate, what happened is that the federal government said no, or did not say either yes or no, and therefore we did nothing, because we were conditional on federal participation. The good people of Hamilton went ahead, and I say this in all sincerity to the member whose association with the trade union movement is well known, that the people of Hamilton responded in a magnificent way. I think that few cities in Canada or in North America and few trade union movements in total in a community could be prouder of the record which should exist in Hamilton, and does exist in Hamilton, in their response to the fund-raising drive to go ahead and build that auditorium.

They in effect said, "We are going to do this" and the whole community pitched in. Whether the federal government or the provincial government come in or not, the auditorium is going up. I was there—not for that sod turning, although I was invited. I guess it is to be opened about a year from now. Is it then that the auditorium should be completed or is it sooner than that? At any rate, it is well on its way to being an accomplished fact. I think they are somewhat over their original estimate, but at any rate it is being built.

With that kind of success—and I say frankly that the government has recognized what has happened in Hamilton. I think that is one of the largest amounts of money which has ever been raised in the province on a voluntary basis, other than perhaps a community fund, but certainly for that kind of project, larger than was raised for the Shaw Festival, the Stratford Festival, or any one of a number of other things in any given period of time.

Consequently, there were approaches made to us again as to whether we would come in on the second phase of the project with or without federal help. Those approaches were turned over to me by the then Prime Minister. I can only report that I sounded out the government of Canada again and indicated that we were somewhat enthused about what had happened in Hamilton, and

asked was in fact the federal government interested in now participating with or without our offer. They indicated to me both formally and informally, or informally and formally by letter, that they would not participate. Now that decision has been relayed to my cabinet colleagues and the request has come forward from, I think, the council and from the association to cabinet, and a decision, to my knowledge, has not yet been made.

But speaking only personally because of my relationship with Hamilton through the urban renewal project we are very proud to be—we were in Municipal Affairs, and I still am very proud to be—associated with what Hamilton has already accomplished, with our assistance, in the urban renewal area and on their own in the civic auditorium.

Mr. Gisborn: Well, I thank the minister for his consideration of the question, but he did not answer the main question as to whether they can determine and say, "Yes, we are going to look after you with the \$2 million promised, or we cannot do it in the foreseeable future."

Because this is the nub of the thing. As he may well know, the estimates have moved from \$5.5 million to something over \$10 million. This is creating the problem and it is disturbing those people he spoke of who worked so hard to get that particular phase of the centre off the ground. The trade union movement, as he mentioned, supported it and raised a great deal of money.

Hon. Mr. McKeough: Over \$1 million, was it not?

Mr. Gisborn: Yes, and this all contributed, and the people are getting a little bit sore about the whole situation now. So I think the time must come when they should know just where they stand.

With the escalated costs, \$2 million cannot be anything but a little help now. And other priorities have gone by the board to keep this project going—sewer development and other things have suffered in other parts of the city—and it is going to create a real civic problem if we do not get some satisfaction one way or another from the two levels of government.

Mr. Chairman: The hon. member for Grey-Bruce.

Mr. Sargent: I thank you very much for this chance, Mr. Chairman.

Mr. Singer: You seem so sad tonight, Mr. Chairman.

Mr. Sargent: Mr. Chairman, I spent many years in politics at the local level, not as high as this very hon. minister here, who is at the top of the heap, as it were, making fantastic decisions, as he has been doing, and talking like Amos 'n Andy of figures such as \$50 million or \$60 million; it gets pretty monotonous. If he had a track record for doing things, I would go along with him, but I have watched this Committee on Government Productivity since its inception and I would suggest to you, from my political background, that this was a new way to have an efficiency survey, a new team without publicly revealing the findings of waste and corruption or the new approaches to do the job.

Mr. P. J. Yakabuski (Renfrew South): The member does not believe that.

Mr. Sargent: I sincerely believe it, and my friend would believe it if he knew what was going on.

Interjections by hon. members.

Mr. Sargent: And he will never know because he is up in the back bench with the member for Don Mills. And he might tell the member some secrets too. The cat would never get out of that bag, would it? There must be a great big reason why the member for Don Mills is up there.

Mr. Randall: I cannot join the member's club, I am sorry.

Mr. Sargent: The member for Don Mills could write a best seller, I bet?

Mr. Chairman: Order.

Mr. Sargent: So, Mr. Chairman, speaking on government productivity, we have a statement by the minister that the Committee on Government Productivity made some recommendations to senior civil servants, and he said, "Some of these stand a good chance of being implemented." I took the words down in my shorthand. Is that not refreshing, the fact that some recommendations came to the minister and they stood a bit of a chance of being implemented by senior civil servants?

In other words, I would suggest to the minister that in the bureaucracy in this economy of Ontario, the deputy ministers still run the show. The ministers have not

got the guts to run their own show as it were, in effect that is what they say.

Here we are and the minister asked us, in the summary of this Treasury Board for 1970-1971 estimates, the amount of \$500,000. He is asking for \$1,659,000 for 1971-1972. That is about a \$1 million increase in this one section. I would like to know how much money has this Committee on Government Productivity cost us to date?

Hon. Mr. McKeough: To May 31, 1971, they have spent about \$638,000 out of the committed total of \$1,159,000. No, I am sorry, that is for two years. They have spent \$638,642 out of a voted amount of \$500,000 last year, and \$1,159,000 this year. Out of \$1,659,000, some \$638,000 has been spent to May 31. Is that right?

Mr. Sargent: I was asking, in effect, by the end of this fiscal year, that the minister will have spent the money, \$1.6 million?

Hon. Mr. McKeough: Plus the \$500,000 for Hydro. Let me explain it this way. There is \$1,659,000 this year and there was \$500,000 voted in 1970-1971, which was nearly all spent.

Mr. Sargent: I did not know about the Hydro. In effect we are talking about a net figure of \$1 million for this efficiency survey scheme.

Hon. Mr. McKeough: No, \$2 million over the two years.

Mr. Sargent: Of the total budget, less than half of one per cent of the total budget? Which is not out of the way, but what savings has the minister effected—

Hon. Mr. McKeough: Right.

Mr. Sargent: —that he can pinpoint to justify the continuance of this survey?

Hon. Mr. McKeough: I do not think at this point, in complete fairness to COGP, that you could put a dollar sign on any saving. I do not think that is their intention. They will, in their last report, indicate possible savings that they may have recommended. What they have recommended to date in their wisdom, for example, which the government has adopted—let us take one example.

They have recommended, as have others in the past—

An hon. member: Let us have a figure.

Hon. Mr. McKeough:—and we have now adopted that principle, that we go to a post-audit system. In the short run, I will have to tell the members of the House—and I will explain this to the public accounts committee—that is probably going to mean some increase in both staff and dollars spent as we switch over.

If you look five years down the pike, or 10 years down the pike, at the switch from pre-audit to post-audit, heaven knows how much we will save. I would not even want to put—whether it is \$1 million or \$10 million, or perhaps it is \$100 million, I have no idea.

It is just guesswork anyway because basically what is going to happen in the switch from pre-audit to post-audit is that the management—to come back to our previous discussion—the managers, starting with the deputy ministers, working down through the branch heads, down to the accountants, are going to have to become more responsible people. They are going to have to make sure that the money which they are authorizing to be spent and are spending conforms with the estimates which this House approves.

In the long run, I think they are enormous savings. The Minister of Agriculture (Mr. Stewart) in a highly practical way because of his rural background, says, "We will get the cheques out a little faster than we did in the past." That is a saving to the people of Ontario. If you process \$2 billion or \$3 billion worth of cheques five days faster, that is going to cost us some money. It will cost Mr. Holmes, who was here this afternoon, some interest which he might have made money on. On the other hand, it is going to save interest to the taxpayers of the province who may be borrowing money to pay their bills while they wait for receipts from the province. How do you put a price tag on all those things? I simply do not know.

In the last report COGP will attempt to put on a price tag, but I think it is going to be a very airy-fairy sort of an exercise, frankly. And whatever it says, I am not going to try and tie it down to the last dollar or million dollars or the last penny because you are dealing with management ideas. In Treasury Board the staff call them defensive savings; what we would have spent if we had not done it the right way. "Well, have you saved something or not?" "I do not know." That is a defensive saving, so you cannot really answer the question that the member has asked.

Mr. Sargent: Surely, Mr. Chairman, this must be the most flagrant admission of error on the part of the government insofar as spending an increased amount of \$1 million in this one vote is concerned. We have the minister's admission—well, he did not admit it; we know that the team picked to do the central purchasing, or the government study, was five friends of the government, all strong Tories, who did not need to reveal publicly their findings. I would like to ask the minister why was not an able, professional, efficiency-serving management team picked to do this, who could deliver to you—for a case in point the City of Winnipeg some years ago spent \$250,000 on an efficiency survey. The survey revealed a possible saving of \$5 million a year in their financing, so it was money well spent.

But here in effect you have spent \$2 million to your admission and you cannot pinpoint any dollar saving. At the outset the motivation for the whole deal was at the prodding of the opposition, both the official opposition and the NDP, to set up a central purchasing programme. We have a case in point across the country where Alberta, in their small operation, saved \$5 million a year by the operation of central purchasing.

The former Treasurer came in with a big fanfare and announced to the House the appointment of this team—

Mr. Lewis: They are not all Tories.

Mr. Sargent: Well, if he picks one that is not I will give the hon. member a bottle of whisky.

Mr. Lewis: I will—but I am not going to impugn his integrity. They are not all Tories.

Mr. Sargent: Regardless of that, Mr. Chairman—

Hon. Mr. McKeough: Before the leader of the New Democratic Party leaves and as I look over that list—

Mr. Sargent: I am on my feet, Mr. Chairman.

Hon. Mr. McKeough: Well, I am on a point of order. As I look over that list—and I know the member for Grey-Bruce always likes to be correct—and if those are all Tories then the Liberal Party is in much worse shape than I thought it was, because there were to my knowledge some pretty strong Grits on that list and if you have disowned them all, really, who have you left?

Mr. Sargent: All I can say is if the Treasurer did not appoint them he is slipping, that is all.

Mr. Lewis: I want to tell them something—they both are.

Hon. Mr. McKeough: I think that is right.

Mr. Lewis: But I cannot talk about it.

Mr. Sargent: Then it is a departure from—

Mr. MacDonald: The Liberals have not disowned them, they have disowned the Liberals.

Mr. Yakabuski: There are some people sitting on front benches who should be sitting on back benches.

An hon. member: Oh, now cut that out.

Mr. Sargent: It does not matter. I mean, in the overall pattern of appointment they are friends of the government who will not reveal their findings. So it is a cozy arrangement whereby nothing of the Maxwell Henderson exposé will come out in the papers. The Provincial Auditor, Mr. Spence, does not make any newspaper column announcements that there is hanky-panky in all this \$4 billion spending.

That does not come out, and in your findings of the operation of the government productivity study we do not know what they recommended, and you certainly do not know, and you do not know what they saved you, so you have the audacity, Mr. Minister, to come to us—what is your motivation in coming to us and saying we want another \$1 million for this study when you cannot prove to one single member of this House, or to anyone, that they have proven their point to justify their existence?

You talk about a post-audit. Any one of the advisers you have who are being paid—I read out the names last night and you blocked me because it was not the right vote—but I saw 20 advisers there, none of them earning less than \$20,000 and the top man was earning \$25,000, more than a member of Parliament, more than a cabinet minister.

These people who have grown up with the service have not got the intelligence, or the savoir something, or the knowledge, to recommend things like a post-audit. If they are reading any financial or accounting magazines they must know these things are current practice in the United States. And that is all you can pinpoint in the expendi-

ture of \$1 million or \$2 million by this Committee on Government Productivity.

Their productivity is zero, and I suggest to you that you are doing the people of this province a disservice if you continue the waste of this kind of money. If you were doing it properly like any ordinary business, if you were a businessman, you would not take out some friends because of their connections in government or because of what political stripes they wear. You would buy a professional team to deliver to you on target a job that would produce.

But you do not run things like a business. I know you are trying to do a job, but who calls the shots to form this group of people who will not deliver? If the civil servants do not want to buy what you give them, it is your right to fire them all. And that is what this party will do if we are power. If people do not deliver we will fire them! They are hired by the people to do a job.

Mr. M. B. Dymond (Ontario): Shades of Hepburn.

Interjections by hon. members.

Mr. M. Makarchuk (Brantford): There go 60,000 votes.

Mr. Sargent: I may have but I do not—

Mr. Makarchuk: Correction—70,000, certainly.

Interjections by hon. members.

Mr. Sargent: All right. Just a moment. I stand on this.

Mr. Randall: All the poor civil servants are going to be fired.

Mr. Dymond: Mitchell would be proud of you.

Mr. Chairman: The hon. member for Grey-Bruce has the floor.

Mr. Sargent: I would suggest to you, Mr. Chairman, and to the House and to all the hecklers here—

Mr. Randall: Shame!

Mr. Sargent: —that this party, if anyone does not do their job—

Hon. W. A. Stewart (Minister of Agriculture and Food): They will be fired!

Mr. Sargent: Just a moment. Do you want to talk, Bill?

Hon. Mr. Stewart: Just helping you out.

Mr. Sargent: We will run the government like a business and not by patronage. And we will not let the civil servants run the government. We will run the show, on behalf of the people. And we will not spend \$2 million on a productivity programme that does not save one cent.

Mr. Randall: If the members opposite can only count to 20, they have their shoes off. How can they run a government?

Mr. Sargent: I will tell you this. If any government—you are pretty sharp up there. If any government did to me what they have done to you I would have the guts to resign. I will say that to you.

Mr. Chairman: The hon. member for York South.

Mr. MacDonald: Mr. Chairman, you have indicated that all of the items in this programme are being lumped together.

Therefore, I have to say to you there are three of them I would like to raise as briefly as I can. The first one with regard to management services. Going back to that maiden speech of the provincial Treasurer to the financial executive—

Hon. Mr. McKeough: Perhaps I could suggest we might take them in order. Having had this general discussion, we could start ticking them off.

Mr. Sargent: Why does the chairman not make that order?

Hon. Mr. McKeough: Well, if I could suggest to the chairman, having suggested—

Mr. Chairman: It was suggested to the chairman earlier by members of the committee that we take them both together and I agreed to it. However, I have no objection to taking them separately if it is agreed by the committee.

Mr. MacDonald: Where are we now then?

Mr. Chairman: I have no idea where the members are.

Mr. MacDonald: Are you on item 1, 2, or 3?

Mr. Chairman: Think of a number.

Mr. MacDonald: Item 3. We have covered the first two, we are now on 3.

Mr. J. E. Stokes (Thunder Bay): This gets more like a circus every day—

Mr. Makarchuk: On item 2, Mr. Chairman. Assuming we are on item 2.

Mr. Chairman: Item 1 is carried then?

Carried.

Item 2.

Mr. Makarchuk: Earlier I raised with the minister the matter of ensuring we get the value for our buck in terms of the purchasing that is going to be done by the various managers of the departments now that you have gone into the pre-audit situation—or they will be responsible for the purchasing.

Can the minister outline just what particular programme he is instituting to ensure there is that kind of a followup? Or can he give assurance that the various departments are buying their supplies, their equipment—that the taxpayer is getting what he wants or what it is worth for his money?

Hon. Mr. McKeough: The member is referring to a recommendation, I guess, in the first report—

Mr. Makarchuk: Not necessarily, Mr. Chairman, but this was a discussion that came out of the auditor's report and the discussion that followed, and it was discovered that the auditor really has no way of ensuring that we are getting the best value for the dollar spent in Ontario at the moment.

All the auditor can do right now is just follow up to see that the right vouchers and the right receipts and the right cheques have been issued for the paper that has been transacted. But he really has no way of comparing whether that department—in other words, the supplies they bought; did they pay a fair price, were they overcharged, did they pay a higher price for their supplies than possibly some other department? This is what I want. Within the federal system, Maxwell Henderson does some kind of a followup of that nature.

Hon. Mr. McKeough: Well, we are not talking about the role of the auditor as opposed to the role of the Treasury Board secretariat management services. That is the role of the auditor which you have described and, particularly, it is the role of an auditor, as I envisage it, in a post-audit system, where the auditor is involved in both the pre-audit and the post-audit.

I think what you have suggested can be difficult for the auditor to carry out, but as we move to a post-audit, I think what you have described will properly fall within the duties of the auditor.

Mr. Makarchuk: In that case, am I to take it from your statement that the auditor will be equipped with the necessary personnel and machinery to carry out that kind of a post-audit to ensure that the managers of the various departments are spending wisely? Could the minister indicate just what he intends to do in this area?

Hon. Mr. McKeough: I think we are really into the estimates of the Provincial Auditor rather than these estimates, but I have no objection to answering that.

Mr. Makarchuk: The reason I am asking, of course, is that it is a new programme and I assume that this new programme would come under the Committee on Government Productivity.

Hon. Mr. McKeough: All right, that is the next vote. However, we can take it under programmes and estimates.

Mr. Makarchuk: Not necessarily.

Hon. Mr. McKeough: It really comes under—do you want to deal with it now?

Mr. Makarchuk: Yes.

Hon. Mr. McKeough: This is a sort of interesting story. First of all the involvement, perhaps of the Treasury Board secretariat, is that we have set up within the secretariat—and I do not know that it is particularly reflected directly in these estimates but it is here—within that is a small, new branch called the operations review branch.

The basic functions of the programmes and estimates section of the Treasury Board secretariat is the analytical job. Treasury Board is assisted in its deliberations by a number of analysts. I do not know how many there are in all—19, each one of whom is assigned to a department or perhaps to two or three departments. They advise the board on the requests which come before it as to whether, in their opinion, and in the opinion of some of the other central agencies, the request for funds, both at the time of the estimates or a request for a change in funds, fits in with approved government policy. That is, I think, their basic charge, as to whether it is the policy of government that such and such be done.

What we have set up within Treasury Board is a small group to review—if I can put it this way—how well it is being done or if, in fact, it is being done after the money has been approved. Then, from there, we go to the post-audit situation, and what COGP recommended was that we move to a post-audit situation. The original proposal was that we would move, and I think when I met with the public accounts committee I described it this way, or perhaps Mr. Spence or Mr. McIntyre, the comptroller of accounts, did that day, that we would move from post-audit by the auditor and transfer that function to the comptroller of accounts and then to the individual government departments.

The bill which is before the House will indicate that we are going to go directly from post-audit by the auditor, to pre-audit by the auditor, then to pre-audit by the department and, therefore, only post-audit by the auditor. It will be done on a staged basis, department by department.

Some of the departments, I think, are ready to assume this responsibility forthwith. With others, it may take a little bit longer to develop the staff and the level of staff which will be necessary to do this job. That will be done by the Lieutenant-Governor-in-Council, I think on the recommendation of the Treasurer or the chairman of Treasury Board, as to how fast we can move to that system.

The post-audit will then be undertaken by the auditor. The auditor knows what is required of him under a post-audit and the staff which he feels are necessary to do that job are being left with him. If he requires further staff, that staff presumably will be made available to him.

Mr. Makarchuk: Mr. Chairman, I could partially follow exactly what the Treasurer is doing when he is describing the change in policy within the departments, but what I am concerned with is the function that is performed in Ottawa, where Maxwell Henderson has the staff to go into the books of the various departments and find out whether they have spent their money wisely. The point here is that we do not have a similar setup. Our Provincial Auditor does not have the staff or the personnel—rather, the right at the—

Mr. Breithaupt: He has got the staff but he will not make that kind of judgement—

Mr. Makarchuk: Okay. He has the staff but he cannot make that kind of judgement to see whether we are getting our money's worth.

Mr. Breithaupt: He will not.

Hon. Mr. McKeough: Let me explain that because I do not think the member, with great respect, is familiar with the problem. I think the suspicion has always been, and I do not say suspicion unkindly—the auditor is a servant of this Legislature—but I think the feeling has always been that because he has okayed the expenditure ahead of time, he is hardly going to question it after it has been spent. That is basically, as I understand it, our common objection to the pre-audit system and the reason we are moving to a post-audit system.

Now whether he has sufficient staff to do that job or not, the public accounts committee is going to have to question him next year and five years from now and satisfy itself that he does really have enough staff, because the attitude of the board and of the government is that whatever staff the auditor says he needs is supplied. I think Mr. Spence would confirm that to the member. I think he has on a number of occasions. If he has, in fact, and I think we are working toward it—we do not even talk complement when we talk about the auditor.

I am accused by some of my colleagues and some deputy ministers as being a little complement-happy at this point, or unhappy, because I am trying desperately to hold down the complement of government. To date, for the first three months of this fiscal year, I can say that I have been highly successful. I have added five to date to the complement of government out of 70,000 civil servants, not without making myself somewhat unpopular along the way, I may say. But when we came to the Provincial Auditor, I said what is his complement. He does not have a complement in the normal sense of the word. What he wants, he gets. If the public accounts committee, two years from now, feels that he does not have sufficient staff, it will have to say so to the auditor as he is the servant of this Legislature and works through the public accounts committee.

Speaking as the Treasurer, if the auditor wanted to double his staff tomorrow, I would be a little upset but I think I would not have much option but to approve of it.

Mr. Makarchuk: Mr. Chairman, this is very nice for the minister to say that two years from now we may be able to examine the accounts to find out that perhaps the auditor needed or required the rights or had to have the rights to do certain things. In the public accounts committee, we went through the community colleges programme and we found out that in certain instances there was what we consider, at least I consider, extravagant expenditure on the parts of some colleges of comparable size. Shall we say one college will spend twice as much on administration in comparison to another college of similar size.

What we do not want to do in this case is get into a similar situation so that two years from now we are going to find out that certain managers within your department—certain managers of certain departments—have been extravagant. Two years hence we are going to discover it and do something about it.

The point that I am concerned about is what is the minister doing right now to ensure that there is not that kind of a wasteful on-going programme that he has had in the past? I am referring particularly to the community colleges. The people in the public accounts admitted that in the figures they submitted to us there were wide discrepancies when we compared the expenditures of similar sized colleges, and that there could possibly have been waste or something of that nature. They also said that in previous years the figures were much worse.

What we want to know here is if the minister is going to another system of accounting, into a pre-audit system, he is giving a lot more authority to the managers of his various departments. Perhaps two years hence he is going to find out that some of the managers of these departments are not performing their functions in an efficient manner.

In the meantime, the Ontario taxpayer is a few million dollars or possibly a few hundred million dollars out of pocket. Then we discover this and, of course, there will be a lot of squawking about it.

What I want is for the minister to close the door of the barn before the horse is out. It seems to me that up to the moment he is not prepared to do it.

Hon. Mr. McKeough: Perhaps the member would talk to the former leader of his party who is a member of the public accounts

committee and a long-standing member of this House. I have no doubt that in part what the member is saying is true.

We run a risk. There is no question about it, but if we are going to have effective management we must run that risk. We must be prepared not to uncover the mistakes until a year, perhaps, after the mistakes have been made—

Mr. MacDonald: Perhaps, on occasion, you could fire the manager.

Hon. Mr. McKeough: Pardon? And perhaps, on occasion, fire the manager and/or the minister? In our system, who is ultimately responsible? That may well be the case. Perish the thought!

Mr. Singer: It is a good phrase, but you would never do it.

Hon. Mr. McKeough: I think we do run that risk. On the other hand, I think we have the criticism of the present pre-audit system. That is, that the managers do not have to be fully responsible; that they can pass the buck, literally, to the Provincial Auditor and they do, as the hon. member has well found out at public accounts.

And most of those expenses, or 99 per cent of them, are turned back before they are ever made, and you are not developing effective managers. There is a risk, there is no question, of moving to the post-audit, but I think that is a conscious decision which has been supported by the public accounts committee when my friend from Downsview and I were on it. As part of the new wave the government saw the wisdom that we passed on to it some six years ago and, thanks to the recommendations of the COGP, it is now implementing. But there is the risk, as the member for Brantford stated.

Mr. Makarchuk: I do not question the minister's statement that there is a risk. What I am concerned about is that I think that while we are extending this risk or we are risking the new managers, at the same time we could also be implementing some kind of a follow-up system to ensure that this risk does not grow into rather large proportions.

Further to the statement that the auditor does check his invoices, I believe he only checks something like six per cent or less of the total invoices. I am not sure of the figure, but it is a very small percentage in relation to the total number of invoices paid

by the government. So in reality he does not do a very good follow-up job. He just does not have the staff or the time to do it.

Mr. Chairman: The member for York South.

Mr. MacDonald: Mr. Chairman, are we on item 2 or 3?

Mr. Chairman: But it is vote 2501 and we have been discussing item 6. I only see item 1—

Mr. MacDonald: While you were out we decided to go back and do them item by item; I think we are on item 2. Perhaps we should conclude because it was item 3 I wanted to speak on.

Mr. Chairman: We are still on item 2 then. Anything on 2 then? Carried.

Item 3, management services.

Mr. MacDonald: On item 3, in his address to the Financial Executives Institute last March 9, if I can get back to this—

Hon. Mr. McKeough: If I may interrupt, I am really flattered but I think it is the fourth time that the member has quoted that speech.

Mr. MacDonald: As a matter of fact, it was a very interesting speech. It gave me some leads and some of them I want to come to right now. He noted that—

Hon. Mr. McKeough: I am regretting that I made it.

Mr. MacDonald: Since the minister had been in his portfolio only days, obviously somebody who had been around a little longer wrote the speech.

Hon. Mr. McKeough: It was my philosophy—

Mr. MacDonald: It was not planned to—

Hon. Mr. McKeough: —which I imprinted in the first nine days.

Mr. Breithaupt: It only took the Lord seven.

Mr. Singer: They should get the minister another cartoon

Mr. MacDonald: The minister indicated that the various units making up the management services division of the Treasury Board had, since 1961, completed some 200 projects. Some of them were within departments; some of them were across the board

in the government. The minister indicated the number is now up to about 250 projects. And then, just sort of en passant, the minister said: "Some are larger, like the conversion to a new blanket fidelity insurance policy which would save \$100,000." May we have a little enlightenment on that? With what company? Are commissions paid? If so, to whom?

Hon. Mr. McKeough: Not all parts of that speech was I completely familiar with. I will get that information and give it to the member.

Mr. Breithaupt: Help!

Mr. Singer: It was not part of the philosophy then?

Mr. MacDonald: There is no explanation here. Just in passing the minister made this comment. Now, I am seeking an explanation.

Mr. Lewis: We are looking for—

Mr. MacDonald: The second project that I wanted some elaboration on—perhaps if the minister is crying for help he can call for whatever fireman can put this fire out—namely, that changes in the practice for servicing office equipment were estimated to save \$400,000. What has the minister done? What changes has he made in servicing office equipment that would make for a \$400,000 saving?

Hon. Mr. McKeough: This is interesting. I do remember this one. We did quite a study and determined that we would be further ahead and, in fact, save that kind of money in the first year by cancelling all the service contracts which normally come with typewriters, with calculators, with adding machines, and bringing a serviceman in as he was needed and paying him for so doing. My very limited experience in this, being a part-time office manager in a very small business, had been that we were further ahead to put everything on a service contract.

Mr. MacDonald: The minister contracted the job out and fired the civil servants.

Hon. Mr. McKeough: I beg your pardon?

Mr. MacDonald: You contracted the job out and fired the civil servants?

Hon. Mr. McKeough: No, because I think if somebody buys an electric typewriter, you have two options. You do not repair it your-

self. You either call in the IBM guy who sold you the machine or the repairman to repair the typewriter or what is done most of the time is to put it on a flat rate service contract. Often there is a service contract for nothing in the first year. After that you pay so much a year and whenever something goes wrong or when a ribbon needs changing, the serviceman comes; or he may come on a regular basis. We have proved to our satisfaction that we have saved money by switching and having them come in and fix the machines, across the government, as they need fixing rather than on a service contract basis. It was quite an interesting study which has saved that kind of money.

On Fidelity Insurance—instead of the coverage by individual employee, who was listed individually with the insurance company, this was replaced, in effect, by a blanket policy covering all the employees of the government: Do not ask me why it was done on an individual basis before but in fact, it was; I suppose on somebody's recommendation from the past. We have switched over to a blanket policy with no one named and this, of course, has reduced the paper work enormously, I suppose for the insurer, and therefore has reduced the premium.

Mr. MacDonald: With what company is the insurance paid?

Hon. Mr. McKeough: I am sorry I cannot answer that. Do we know? The General Insurance Company of Canada.

Mr. MacDonald: All right. Are commissions paid and, if so, to whom?

Hon. Mr. McKeough: I assume that we pay them. I do not know whether or not we deal directly with them. I would think we do. I will find that out and let you know.

Mr. MacDonald: Thank you. I want to raise one of these project studies. I have mentioned it a number of times but quite frankly, what the minister has said publicly is so profoundly unsatisfactory that I want to explore it further. If I may quote again from that bible of March 9, the minister said:

Let me, as a final illustration, refer to a study which, under the auspices of the Treasury Board, was carried out by the staff of its secretariat, augmented by officials from other departments and outside consultants to review the effectiveness and efficiency of our various programmes of grants, loans and subsidies.

In other words, that was a rather pretentious effort: the Treasury Board, consultants, across the board.

Then the minister went on:

The group which was appointed to review these grants, loans and subsidies reported early in 1970, and as a result a steering committee charged with the task of follow-through on the recommendations was able to report in December that more than \$5.3 million was saved in the current fiscal year. I assure you we are not sitting back on our laurels, gratified at this result. The new government as a whole, the Treasury Board and the minister are going to maintain and, if possible, intensify the efforts to secure that everything is done to squeeze the maximum benefits from every dollar which our taxpayers—and you might remember I am one of them too—contribute toward the operation of the government, of our industry and of our economy as a whole.

Now, after all of that labouring, the mountain really brought forth a mouse—a \$5.3-million saving. Mr. Chairman, you may recall it—it is interesting that he should have entered the House just at this point—that out of curiosity I asked the Minister of Trade and Development (Mr. Grossman) earlier whether that review had included consideration of the effectiveness and efficiency of the EIO loans. After cogitating the question for two weeks, his answer was brief and succinct. The answer was yes, it had included a review of EIO loans, but no more information was given to us.

Is the minister telling us when such a pretentious review of grants and loans throughout the whole of the government was made, that the only specific savings he made as a result of the steering committee's recommendation—

Hon. Mr. McKeough: No, not necessarily. Well, go ahead.

Mr. MacDonald: Well, let us not go ahead—because the minister said the steering committee was charged with the task of following through on the recommendations and was able to report in December that more than \$5.3 million was saved in the current fiscal year. All right, what I am saying is that as a result of that very pretentious survey of the situation, the minister's steering committee made recommendations that resulted in \$5.3

million in savings in the first year. And what were they?

Hon. Mr. McKeough: The member read them this afternoon.

Mr. MacDonald: Right. Right.

Hon. Mr. McKeough: He is saying that that is all that has happened.

Mr. MacDonald: That is all that happened—

Hon. Mr. McKeough: To date.

Mr. MacDonald:—in the first fiscal year, by the minister's own admission.

Hon. Mr. McKeough: Right.

Mr. MacDonald: Okay. Now, is the minister telling me that the only grants he saw fit to eliminate because of their ineffectiveness and inefficiency were really four grants? The last two, as I drew to the minister's attention, were really just juggling the books; it was carrying forward the application of CAAT surpluses to the 1970-1971 grants. There was no real saving there at all. Unexpended appropriations from last year were carried over to next year.

So really, the mouse that this mountain brought forth was a cut in four grants. And what were the four grants? The bursaries to veterinary students, the capital grants to farm development and the library grants. Now I repeat it again, because I am absolutely incredulous in the face of this. Are these the only grants that the minister saw fit to reduce? And why, for example, would these be deemed to be inefficient when some of the particular EIO grants that this government had been making throughout that same year presumably were reviewed and approved?

Hon. Mr. McKeough: Well, let me say that the steering committee recommended a number of things arising out of the original report, some of which were acceptable at that point in time, some of which were not; they have been brought forward. We are reviewing those recommendations and will be again. I do not think that is the end of the steering committee's work in the list which the member has so thoughtfully detailed on two occasions today already.

The EIO programme was included in that list from an administrative point of view. I think the decision of the government at that point was that they had made a decision to

carry that programme forward, as a matter of fact on the existing terms and conditions, to tomorrow, June 30, 1971 and to leave it alone until that time and then review it. That is precisely what is being done and the steering committee's administrative recommendations, which frankly I do not recall and which I do not think were all that earth-shattering were not implemented on the basis that we wanted to leave the programme alone and give it a fair chance which was done. And the cutoff date—and I think the minister can confirm that the orders-in-council in fact do expire tomorrow I believe—

Mr. MacDonald: For EIO.

Hon. Mr. McKeough: —for the existing programme. The programme is under review at the present time, and the recommendations that were made by the steering committee a year ago will be taken into account and are being taken into account—I can attest to that personally—by the committee that is reviewing the programme at the present time.

Mr. MacDonald: Well, the minister places me at some disadvantage. He says that the steering committee recommended a number of things. The government took a look at them; some of them it has accepted; some of them it has discarded. Since I do not know what was discarded, it is not possible for me to come to my own judgement in assessing the merits of the government's decision, but what puzzles me is what you accepted. Why, in the great panoply of government activities, was it decided to pick on three grants in the agricultural department and library grants as being the only ones to cut. This leaves me mystified. If the minister can give any rationale to the choice of those four after all of this effort to review, I invite him to do so.

Mr. Chairman: On item 3?

Interjection by an hon. member.

Mr. MacDonald: The minister obviously cannot. And I do not blame him. If I were in his position, I could not.

Hon. Mr. McKeough: It was not my decision obviously. I was not the chairman of the Treasury Board at that time.

Mr. MacDonald: Well, that is as good an excuse as any.

Hon. Mr. McKeough: I do not like to retreat into that shell.

Mr. Chairman: Is item 3 carried? Item 4. Oh, I am sorry, the member for Kitchener?

Item 4 then is carried?

Item 5.

Any further discussion on item 6?

Mr. MacDonald: On item 6, Mr. Chairman. In replying to the so-called leadoffs on this particular estimate, the minister used as an example the Committee on Government Productivity, and I wanted to react to some of the comments he made at that time.

Let me for a moment engage in a little confession with regard to my own reactions, once again, on COGP.

Hon. Mr. McKeough: Very good for the soul.

Mr. MacDonald: Right. When this committee was announced I shared to some degree the kind of reaction which the hon. member for Grey-Bruce, in a very exaggerated way, presented in the House this evening.

Mr. J. B. Trotter (Parkdale): He never exaggerates.

Mr. MacDonald: It seemed to me that this was going to be something of a secret internal operation, that we would never know what was going on and therefore, quite justifiably I think, we were suspicious.

I must say, however, that one of the difficulties I have had in assessing the effectiveness of royal commissions or committees of review in the past is that often when the people responsible have gone in and done a study, they got the information from the people who, presumably, were the most knowledgeable and they went back into their own ivory tower. They come to some conclusions. The conclusions may or may not be realistic in terms of starting from where you are in a department and moving to where you want to go and, in the process, improving it.

In short, in some instances, a royal commission—and I suppose the B and B commission was a good example of it at the federal level—was almost lost by the sweep of history. By the time some of the reports were released they were an anticlimax. They were not really relevant any longer.

Theoretically, I think the kind of approach that is going on in COGP can avoid that. What you are doing is working with the department whose productivity you are attempt-

ing to improve. You are making recommendations and the implementation of the recommendations is going to be reviewed by the committee. In other words, it is an on-going process.

Quite frankly, I am not only open-minded, I am for the moment persuaded that this might be a more effective kind of approach. However, it still does not, I think, meet one of the criticisms that can be made; indeed, the criticism that was made so vigorously at the outset—and is still made by the hon. member for Grey-Bruce—namely that you are operating, if not secretly, at least you are not operating in a public way. In some fashion it seems to me we have got to get the operations of the Committee on Government Productivity, particularly now that they have reached the recommendation and implementation stage—we have got to get those operations back in the legislative domain, if not the public domain.

The minister will see in the following report of the public accounts committee that we are making some proposals to tie in the work of the public accounts committee with the Committee on Government Productivity, and particularly the implementation of its recommendations. If that is done I think we will have the best of both worlds. It seems to me that would provide an operative review committee within this Legislature. At least those members of this Legislature on one of its committees would be involved in a review of the recommendations and their implementation.

However, let me take one specific example. The public accounts committee and this Legislature, in fact, have spent a good deal of time in the past year assessing the whole central purchasing agency approach. I must say I had an idea of a central organization which would do most of the \$300 million in goods and service purchasing by this government, out of our budget of some \$4 billion.

Reports in the first instance talked of a \$10 million saving. In the first year it was only \$1 million, now it is only \$2 million. Furthermore, we discover that the central purchasing agency is not attempting to do the job itself. Indeed, it is forswearing the proposition of building an empire to do the job itself.

To some extent it is going to decentralize its function of centralized purchasing, conceivably assigning it to a given department. For example, The Department of Transporta-

tion and Communications might be responsible for the purchase of automobiles.

Well, for the moment I do not feel competent to judge the ultimate efficiency of this approach. I am persuaded of the wisdom in avoiding building another empire that will get into almost an adversary position with existing departments, or that will place personnel in existing departments where they may not have the intimate day-to-day working relationship with that department, and therefore not be as efficient for central purchasing.

However, the main problem is that the central purchasing agency, whether operating itself or in some delegated way through a department, has no teeth, no real power, and during the past year, as a result of the recommendations of the Committee on Government Productivity, certain proposals have been made to the government. They are to be found on page 24 of report number 1 of the COGP, and may I just read them briefly—recommendation 3 in three parts:

The Treasury Board to be responsible for the approval and publication of the government's purchasing and supply policies and procedures.

The central supply division, Department of Public Works, be responsible for developing policies and procedures for the approval of the Treasury Board.

The role of the central purchasing committee be modified to that of an advisory committee.

In other words, the recommendation implies that the original concept of an operative central purchasing agency has been modified to that of an advisory body. It is going to study standards, it is going to formulate standards, and it presents those standards to the Treasury Board. The Treasury Board approves of them and presumably issues an order, and only at that stage will central purchasing—with teeth, if I may put it that way—become operative.

Now only at that stage in my view is central purchasing really going to be effective. Therefore my question to the minister is: How close are we to that stage? Has the Treasury Board received any significant number of proposals for standards? If so, in what areas?

When do you expect to receive them? And when you get them when will you be issuing orders that will be lived up to? And when

you do issue an order, who is going to enforce it?

Hon. Mr. McKeough: Let me point out that the Interim Report No. 1 is received by government, and adopted by government, about March 1 which coincided with certain other events, I think—

Mr. MacDonald: All the recommendations have been accepted?

Hon. Mr. McKeough: Yes, all except one. Yes, the parliamentary secretaries' recommendations in the first report was not accepted.

Mr. MacDonald: Otherwise the first and second reports have been accepted.

Hon. Mr. McKeough: And the second report has been accepted in principle, not necessarily implemented, but accepted in principle.

Steps are under way in both reports to—other than the parliamentary secretaries' recommendation, which was not accepted—every other recommendation has been accepted in principle by government and is in some stage of implementation, and I can only—coming back to questions, I would hope that the public accounts committee very definitely would, a year from now in their deliberations, call the Treasury Board secretariat who are mainly responsible for the implementation of these recommendations before the public accounts committee, and say: "What is happening about these recommendations which you either accepted as a government or rejected, and what are you doing about them?"

I would hope you would follow through on that basis. Some of them, quite frankly, are obviously beyond the purview of the Treasury Board secretariat, or the minister responsible for the Treasury Board—that is, whether they are parliamentary secretaries or not. I think obviously only the Prime Minister (Mr. Davis) can answer that question.

But a great many of the management recommendations can certainly be answered by the chairman of the Treasury Board and the secretariat and I would hope the public accounts committee would perform that role in the next two or three years after the report has been brought down. And you should also ask if we do not accept a recommendation, why not?

This particular recommendation which the member for York South has read, was certainly accepted and Treasury Board are proceeding to implement it. And let me say this without starting a great debate, and without being critical, some of the views on purchasing which the member for York South in the past has expressed, the confusion which was in his mind, or the lack of clarity which was in his mind, I must say was in my mind as well.

Certainly we have talked about centralized purchasing, whereas what government has talked about has been centralized control of purchasing, and regardless of what we have talked about, I think it is fair to say that the very fact this recommendation has been made by the COGP indicates that all was not working as well as one would have hoped and these are the recommendations to improve it.

I am told that the central purchasing committee, chaired by the person from public works who was responsible for this plus somebody from COGP, someone from Health, from Lands and Forests, from Treasury Board, and from Transportation and Communications, have literally, according to the secretary of the Treasury Board, been working around the clock carrying out the intent of these recommendations and will be putting something before Treasury Board, the first kind of standards which the member for York South was talking about—

Mr. MacDonald: May I ask the minister a question? The central purchasing agency was set up—what, three years ago?

Mr. Breithaupt: Five.

Mr. MacDonald: Five years ago?

Hon. Mr. McKeough: Four. September, 1967.

Mr. MacDonald: September of 1967. Do you mean to say that they are only now in a position to suggest standards so that you can respond to them and issue orders?

Hon. Mr. McKeough: Well, I—

Mr. MacDonald: In any given area of government, because it has got to be a personal approach—

Hon. Mr. McKeough: No, I think there were some but I do not think they were nearly as full as they should be. I am not attempting to assess any—let us be very

frank about this. When we talk about implementation, despite what the member for Grey-Bruce has to say, this is an enormous task.

Mr. MacDonald: Oh, I agree.

Hon. Mr. McKeough: And you are breaking down empires which literally have been there since the founding of this province, and this was true—

Mr. MacDonald: Right, and are still bolstered by your predecessor.

Hon. Mr. McKeough: Well, this was often true in terms of purchasing policy, and if all has not moved as quickly since September of 1967 as one would have hoped, I think it only points out the enormous job of implementing what COGP are recommending is going to be. It is a case in point. Yes, there were standards. For example, cars and trucks to be bought by The Department of Highways, uniforms by Public Works, any medical supplies by Health, those sort of things. And standardization in terms of paper, in terms of office furniture, obviously not far enough.

Mr. MacDonald: But, Mr. Minister, if I may intervene. Are you really speaking of standards? To say that The Department of Transport or Highways is going to buy automobiles is one thing, but as I understand it the reason why OPP in effect thumbed their nose at The Department of Highways and said, "We are going to buy our own cars" was maybe because they need a different standard of car.

So had the Central Purchasing Agency established standards, or did it merely decide that since The Department of Highways normally is dealing in vehicles, and has a great deal of experience there, it was the most appropriate and competent department to do the central purchasing, to exercise the control? But have you come up with standards? Have you resolved the reason why the OPP, or even more puzzling, why The Department of Correctional Services will not abide by the central purchase of cars?

You might ask your colleague immediately on your left as to why that happened, because it was another department that refused to play ball. I can conceive of a reason why OPP would not play ball; but I am mystified as to why another government department like The Department of Correctional Services was not willing to do so.

Mr. Lewis: A very truculent minister. A very difficult head of department.

Hon. Mr. McKeough: A long history of—

Mr. MacDonald: Recalcitrant?

Hon. Mr. McKeough: No, free and independent spirits—

Mr. MacDonald: Oh, is that what it is?

Hon. Mr. McKeough: —to overcome. It is not my place either to defend or to criticize what has gone on before. I can only assure you that to my knowledge the Treasury Board is coming to grips with this rather large problem, and will in the process I think have to knock a few heads together.

Mr. MacDonald: Another four years?

Hon. Mr. McKeough: Well I hope not that long.

Hon. Mr. Grossman: We will do it for you in four years if that is what you want.

Mr. Chairman: Item 6 carried.

Vote 2501 agreed to.

On vote 2502:

Mr. Chairman: The Committee on Government Productivity programme. The hon. member for Kitchener.

Mr. Breithaupt: Yes, at long last we are now able to get into the Committee on Government Productivity. I was interested, of course, in reviewing these first several reports, especially as chairman of the public accounts committee. The minister, having been a former chairman of this committee is well aware of the assistance that we have been able to receive on occasion, and I believe that the central purchasing function, which we did investigate this past year and in the third and the fourth sessions, was somewhat useful, according at least to this first report, to some of the decisions which were reached.

And I will not review the comments made by the hon. member for York South, because I think he did hit especially the kinds of problems that we saw in the public accounts committee, especially those dealing with management and the supply of services. Those referred to the three recommendations and the shifting pattern of their implementation that we have seen, especially within the last year or so.

We had, during this session of the public accounts committee, the advantage of having before us members of the committee and we have been able accordingly to look somewhat more deeply into the audit function and the changes which have been suggested. I think those changes have been valuable ones, and I certainly individually, because of my own involvement on the committee in the past four years and as chairman for these three, appreciate the fact the government has moved to implement some of these suggestions.

I shared with the hon. member for York South in the original days in which this committee was appointed a view that it would not be particularly useful in developing the kinds of savings that we were looking for in government. I believe that in these two interim reports and the speed at which they have generally been accepted by the government the committee has been of great value.

I was interested, Mr. Chairman, in the minister's comments that we might expect a third, fourth or fifth interim report, and as well we might expect certain value judgments as to approximate savings. I am wondering if the minister can tell us when these patterns of reports will be forthcoming?

Are we to expect, for example, three more interim reports? Are we to expect a further and final report, or will the recommendations—and I note from the second report the comments as to the acceptance of earlier recommendations—is it going to be the pattern that we will see over the next 12 months?

Hon. Mr. McKeough: I hope not longer than that. It is Mr. Cronyn's charge and intention to finish the work by the end of the year, by the end of 1971, other than the Hydro task force which will go on somewhat longer, and I am not sure of this but I think I was told tonight that they are tentatively planning a report Septemberish, one Novemberish and one probably early in the year, which brings them to the end of the year.

How those reports are going to be divided I do not know. There are a number of areas which they have examined and which they have not in written reports even touched on as yet. The whole utilization of human resources is an enormous study being done mainly by consultants, but with COGP direction, an enormous study. For instance, there have been no recommendations—well I guess there have been—in terms of the movement of senior officers. That was perhaps the

first recommendation which may be said to have come from that area.

The whole study—the APEX study—has been partially recommended or the results of it in terms of cabinet reorganization. Departmental structure has not yet begun, except that it is true to say that some of the departmental changes or agency changes which have gone on have been checked with COGP—not only checked but instructions went out to all departments from the Prime Minister that they were in fact to be cleared with COGP to make sure that they were not violating what COGP might be recommending and, if they were, to hold them up until we could see the whole package.

For example, before the movement of the Racing Commission from my department to Financial and Commercial Affairs could be accomplished, it had to be checked with COGP. But the departmental structure is a much wider study than that and they have not really started to comment on that. The automatic data processing study, the land use management study, the buildings and structures study, financial management, all those things are still to come. How they will be split between the third, fourth and fifth reports, I am not sure. Hopefully, by the end of the year, I think, we should have most of it in.

Mr. Breithaupt: I have nothing further to make on this report. The comments basically on the audit function I think can be withheld until we actually get to the Provincial Auditor's vote so far as I am concerned.

Mr. Chairman: Anything further on vote 2502?

Vote 2502 agreed to.

This completes the study of the estimates of The Department of the Treasury Board.

Mr. Breithaupt: Mr. Chairman, as part of what we have been discussing, is it satisfactory to proceed with the Provincial Auditor at this point?

Hon. Mr. McKeough: Yes, I am agreeable. We have more staff of The Department of the Civil Service standing by than the auditor's staff, but I am agreeable. We are going to do them both by 10:30 anyway, are we not?

The auditor then, please.

ESTIMATES, OFFICE OF THE PROVINCIAL AUDITOR

Mr. Chairman: Page 231, The Office of the Provincial Auditor. Does the minister have an opening statement? Any opening statements by the other parties? The member for Kitchener.

Mr. J. R. Breithaupt (Kitchener): Mr. Chairman, we have in the earlier comments with respect to the development of the Committee on Government Productivity referred to some of the attitudes of change that we have seen within the operation of The Office of the Provincial Auditor.

As I have shared with the House before, the comments, especially with respect to the public accounts committee, of which I have the honour to be the chairman, have referred in our reports for the last several years to changes of function that we have thought would be practical developments for this kind of an office.

The member for Downsview (Mr. Singer) in the last session referred, as did other members of the House, to the availability of certain items and to the general value judgements that had been looked for in the obvious comparison that is often made with the function of the auditor general in Ottawa. As the provincial Treasurer mentioned this evening, there appeared to be a common misunderstanding among many members of the Legislature and elsewhere, that simply because the Provincial Auditor approved an expenditure was equated with some view as to the making of a value judgement as to that expenditure. Of course, that could be a most unfair assumption but, unfortunately, one which seems to have crept in at least to the comments that have been made in the Legislature from time to time.

Within the function of the Provincial Auditor, I was especially pleased to note in the Interim Report No. 1 of the committee that specific requirements were set out that would change the audit function. It seems to me that the acceptance by this government of those changes is to be very seriously commended. We had, for several years, commented on the post-audit function that we thought was valuable within the operation of the Legislature, and especially within the operation of the accounts of the province.

In the spending of some \$4 billion, we have been of the opinion that some independent point of view, some development within the audit function was necessary. It certainly

appeared to us that the attitude that was being left with the public, whether rightly or wrongly, appeared to be one that value judgements were not being made and the information which could be useful to stir up in some therapeutic way the operation of the civil service was not being clearly attended to.

I think that the comments made concerning the audit function in the Interim Report No. 1 have proved to be most valuable. I commend the Treasurer and especially his predecessor, the member for Huron (Mr. MacNaughton) on taking a grip on this kind of a problem. We realize, of course, that there are going to have to be some intermediate staff increments, possibly as the audit function shifts from that of the Provincial Auditor's office itself to the internal development of the departments, but it would appear to me that this is certainly a move in the right direction.

The public accounts committee in its reports for the last four years has made suggestions with respect to post-auditing, and I share with the hon. Treasurer the view that this is going to take some time to implement. We were informed during our sittings that it would of course take some departments longer to fall into the pattern of this kind of development than it would others, but the fact that some departments are ready to do their internal auditing now and then submit to the overview of the Provincial Auditor is commendable.

Perhaps the minister could advise us as to which departments might be expected to take over this audit function soon, or almost immediately, and one could then presume of course that the other departments might take a little longer time. Have any particular studies been done in internal operations of any of the departments to see whether they are more suited in their purchasing and their spending functions than other departments have been? I think of course that the results of such studies would allow us to find out when we might expect to have this complete function in operation among the various departments.

Mr. Chairman: Is there an opening statement by the New Democratic Party?

Mr. D. C. MacDonald (York South): I do not think that I have anything that can be usefully added beyond the comments of my colleague from Brantford earlier and the fact that we have a bill before the House that deals specifically with the alterations in the

power of the Provincial Auditor. We can speak to it at that point.

Mr. Chairman: Does the minister have a reply to these opening statements?

Hon. W. D. McKeough (Treasurer): Just let me say that I appreciate the remarks which have been made by the members opposite, the member for Kitchener in particular. I think it is a good step forward. As I said, I do not know whether it is going to save us money. I am sure it will in the long run. I do not think we are going to see it overnight.

Surprisingly enough, one of the little battles that I am having at the present moment is to try to accomplish this switch-over without an increase in total complement, at the same time making sure that the auditor has the staff which he has requested but not necessarily going up or coming down, other than allowing for normal growth. But we are getting that sorted away, and I think I can report as of tonight that there will not be an increase in complement because of the switch from pre-audit to post-audit. However, there will be an increase in expense, I am sure, because, without naming departments, better trained more highly qualified persons are obviously needed in a number of departments. Some of the smaller departments in particular have got by very well with an accountant three, we will say, where obviously an accountant five is going to be required to do this kind of job. Now the accountant three is not going to be laid off, but it is going to take a little while to assimilate him where he should be within the total service. The accountant 5 must be brought in. So there will be an increase in complement, I think, a slight increase, and there certainly will be an increase in expense until this is all sorted out within the service.

Where do we start? This is being looked at, even in advance of the passing of the Act, by both the comptroller of accounts, Mr. McIntyre, and the Provincial Auditor jointly. We think that two or three of the departments could come into being practically on passing of the Act, and I am sure will be a week or a month later, with the passing of the regulations; Highways, Lands and Forests, Social and Family Services, those three in particular.

How long for the rest of them? We have not got a time table and I do not think Mr. McIntyre would recommend a timetable to me. He will take them one at a time. In-

formally, we have discussed it and I would hope we would have it all accomplished in the space of two years.

I would really hope that it would be something less than that, but let us say two years. It should not take any longer than that. I think, in terms of dollars being spent, half of it will be accomplished very quickly and then we will have to take it rather slowly from there on in. There will be some switching of staff, and quite frankly, some will have to wait for some attrition of staff.

Mr. Breithaupt: I have nothing further to make on your report. Basically, the departments that you have cited are obviously the ones that have perhaps the greatest volume of purchases and, therefore, have sufficiently well trained staff to handle this additional function. Other departments which are not purchasing as much or in as great depth or volume obviously would require a certain development of staff.

I was pleased to note that the minister, other than the five new friends he has made among new civil servants—with the new jobs that have been provided—has not in effect set a complement in the function of the Office of the Provincial Auditor. I think this is most important because we must surely feel free—and I am pleased that the Treasurer does feel free—to allow the necessary growth and the development—and, indeed, encourage requirements among the kinds of persons who are going to be involved in this kind of value judgement, and the decision-making managers, the phrase that he has used. The development of this increased responsibility among senior civil servants is surely to be commended.

The responsibility, we think, is properly left within the department itself up to the deputy minister level, of course. I think that the fact that you are committing yourselves to hiring well-trained persons or developing well-trained persons without the necessity of saying, "We can only have 10," "We can only have 26," or whatever it is, is most commendable.

These persons must be encouraged to develop their own independent point of view even though they are, of course, responsible for the operation of the department in which they operate. This whole attitude that has developed from the report and the attitude of the Treasurer, I think, is a very healthy step forward, especially to those of us who have been on the public accounts committee for some years.

The minister was chairman of the committee. He well knows the difficulty of members who occasionally would arrive at a meeting and open their public accounts texts and wonder what they could ask. The additional information which has been obtained through the Provincial Auditor's office in these past two years has been most helpful.

The revenue estimates of various departments that we received last year were most interesting and, I believe, gave the committee some valuable work to do. The assistance we received this year from the Committee on Government Productivity and from The Department of Education on some of the work which we attempted to do in discussing purchases in the last month of a financial year at least showed the way to the kinds of things that the committee should be doing.

We believe, of course, that there is a problem with respect to the staffing requirement, and the additional assistance as to where we should be looking and the procedures which we should be following. If the Provincial Auditor can be developed to provide this kind of expertise and to provide these value judgements in some areas then, of course, the work of the public accounts committee will be not only much easier but much more useful.

Surely, if this committee is to be useful at all, it must have an office which is prepared to make value judgements. It is only to the post-audit function that those value judgements can be made. If that function develops then the work of committees over the next several years will of course be much more useful.

Mr. Chairman: Vote 1601 carried?

Vote 1601 agreed to.

Mr. Chairman: This completes the estimates of the Office of the Provincial Auditor.

ESTIMATES, DEPARTMENT OF CIVIL SERVICE

Mr. Chairman: Does the hon. Minister have an opening statement on this?

Hon. W. D. McKeough (Treasurer): The estimates of The Department of the Civil Service.

Mr. Chairman: Any leadoff statement from the official opposition?

Mr. R. Gisborn (Hamilton East): Shame on you, I thought you were going to make an apology.

Hon. Mr. McKeough: An apology? What for?

Mr. Chairman: Is there one? Should we let the hon. member for Oshawa proceed?

The member for Oshawa.

Mr. C. G. Pilkey (Oshawa): Thank you, Mr. Chairman.

Mr. Chairman, on April 26, when the provincial Treasurer read the budget to this House, he did make a statement that this government was providing a budget that reflected spending restraints. In addition to that, he made a comment regarding the civil servants of this province as it related to wage and salary increases or scales of wages for those people. And he said in the budget, quoting from page 15:

In addition to limiting increases in civil service complement, I am also aiming to contain the increase of wage and salary scales to an average of five per cent for 1971-1972. This cost control target will minimize the impact of provincial wage settlements as a potential source of inflationary pressure in the economy.

Well, I do not have to tell this House that during the Throne debate the government proposed a programme for employment, said that it would create 30,000 jobs and 130,000 new housing units—and within about 48 hours that programme was exposed as a myth. When the government introduced the budget the central theme of that budget again was full employment, jobs for the people of Ontario, and they introduced a tax incentive programme, and when that programme was carefully analysed no one could find one job, no one could find any jobs that it might create.

And then also the central point was that this government was going to initiate spending restraints that would in some way have an impact on the economy, that would get it moving again. I want to suggest to this government that in all of those programmes they were playing to the public of this province, it was nothing but a political sham, and in short order all three items were exposed and destroyed.

The Treasurer when he was faced with some pressure from the Civil Service Association and the opposition of this House,

promised no wage ceiling. He said that they would postpone the five per cent.

I want to just quote from the *Globe and Mail* of Saturday, February 15:

Mr. McKeough also promised in a two-hour meeting yesterday with the union that there would be no interference in contract negotiations and arbitration procedures. Mr. McKeough also told the union that no wage ceiling would be imposed by the government.

In other words, in short order he backed off that point, though the minister did say that if the Ontario Arbitration Board, or the third party that intervenes when there is a dispute between the government and the employees in this province, he did say that the decisions of the arbitration board would not necessarily be implemented and that he could not give that kind of promise to the Civil Service Association of Ontario.

Though he was quick to relate that at no time has this government not implemented an arbitration board decision; implying to the people—though he could not give them that promise—that the arbitration board decision would be implemented even though they were in excess of the five per cent wage guideline that this government had set on April 26. Again the government backed off.

Well I want to tell the government that in their statement—and this is sort of an indictment against the government really wanting to initiate free collective bargaining for their employees, in this document, their annual report of 1969, there are at least five or six times where the government talks about collective bargaining and you know there is a serious omission in this statement that you will release today or did yesterday. Not once do you talk about collective bargaining with the employees in this province, but you—and I want to tell you that the former minister, the former Provincial Secretary, made it abundantly clear that collective bargaining was working in the Province of Ontario for the civil servants, and just let me quote from Hansard, page 2392, on May 6, 1970, and the former Treasurer (Mr. MacNaughton) at that time was alluding to arbitration settlements, or settlements that they had made with the civil servants of this province, and he was very proud of this, and I quote:

For the second time in the past six months agreement was reached by direct negotiations between the parties with the assistance of a mediator. This is an encouraging confirmation that true collective bargaining can and does take place in the public service of Ontario.

That was the position in May, 1970.

Mr. S. Lewis (Scarborough West): That is why he won every set of negotiations he entered.

Hon. Mr. McKeough: By sheer strength of his voice.

Mr. Pilkey: That is right.

Mr. Lewis: It was a matter of submission within minutes.

Mr. Pilkey: And yet the government on April 26 wanted to set wage guidelines that would destroy the very thing that they talked about a year previously when they were very proud of the collective bargaining agreements that had been reached with this government, and I want to just tell the minister, as I said earlier, that in this report of 1969, on the civil service, he talked about it in a number of places, as I said earlier, about collective bargaining.

He said special boards provide a medium for collective bargaining and as I said he makes this observation in a number of other places where collective bargaining has worked.

Well, I want to urge upon this minister that collective bargaining in the civil service of the Province of Ontario ought to continue and should not be abrogated in any sense of the word and that no wage guidelines should be set, because also, in this document, as well as the one that you released yesterday or today, you point out that you want the employees in the public service treated equally with those in the private sector. And you make a case as to how you are treating the employees in the public sector equally to those in the private sector.

I want to tell you that the five per cent wage guidelines or any guidelines will find the public service employees falling behind those in the private sector. I want to tell the minister also that you have not met the wages that people get in comparable industries in the Province of Ontario. The civil servants of this province are about \$15 a week behind those in comparable industries in the Province of Ontario.

Though you say in this report—you make the case that wages of the civil servants in the government of Ontario exceed those in Ontario industries. Ontario industry in the year 1971—\$131.46; Ontario government—\$146.48; \$15 a week more than—you are paying more than they are in the Ontario indus-

try. That is just sheer nonsense. You are not paying more than they are.

I want to tell the minister that 55 per cent of the employees in the service of this government are earning less than \$7,000 a year, and my guess would be that—not guess, I know—they are at least \$15 a week behind those in the industry. If the government is going to make its statements meaningful, then it is going to have to increase the salaries far in excess of five per cent in the Province of Ontario for the civil servants, as I say, if they are going to meet industry rates.

There is another problem that exists in the civil service here in the Province of Ontario. By the government's own statement, about 20 per cent of the employees in the service of the government of the Province of Ontario are probationary employees. They total in excess of 13,000 employees; 13,000 employees are probationary employees. The question I would like to put to the minister in this respect is that I want to know if this also includes those employees who are in the temporary service of this government, because it has a number of employees who are in temporary service and who are being paid a very low wage. In addition to that, I want to know if the temporary people are not included in those figures.

Hon. Mr. McKeough: They are not.

Mr. Pilkey: They are?

Hon. Mr. McKeough: No; they are not.

Mr. Pilkey: They are not. Then the government's figures of the people who are in the service are well in excess of 62,000. This government tells us that it has about 62,000 people in the employment of the government service in Ontario. I happen to think that what the government is doing in many cases, so it does not go above the 1.6 per cent guidelines that it set—that was another guideline it set it hires these people in the temporary help service. Therefore, they do not show in these figures.

The government is hiding them. It is hiding them from the people of this province. Actually its complement of people in the civil service is obviously much higher, and this has been going on for some time. I understand that there are in excess of 6,000 employees in the temporary service of this government, over 6,000 in the temporary service of this government, that do not reflect in any of the figures that are alluded to here

in relationship to regular and probationary employees.

Hon. Mr. McKeough: Just to correct, if I may, while the member is pausing, the temporary help are approximately 1,000 at any given point in time.

Mr. Pilkey: They are what?

Hon. Mr. McKeough: Approximately 1,000 at any point in time.

Mr. Pilkey: I submit—

Hon. Mr. McKeough: They are up at this point in time. I guess they would be well over 15,000 with the summer help that has been taken on, but aside from the summer people, it runs somewhere in the neighbourhood of 1,000.

Mr. Pilkey: In any event, if those figures are correct, the government is still hiding a great number of employees who are not looked upon as the regular staff of this government.

I want to know more about those probationary employees. The Treasurer was saying that he does not want to treat the employees in the public service any different from those in the private sector. Well, as I understand it, the probationary employee in the service of the government of Ontario has a one-year probationary period. One year! Show me a collective bargaining agreement in this province that has a probationary period of one year and I will eat the contract. There is not one contract in this whole province that has a one-year probationary period! Is the minister telling me that he is treating the employees in the public sector equal to those in the private sector?

In addition to that, just to make sure that a number of these probationaries are not appointed to the regular staff of this government, the minister also discriminates against a number of them. He says that to get an appointment to regular staff one has to be a Canadian citizen or a British subject.

I want the minister to talk to his good friend, the Provincial Secretary, who stands up in this House day after day with those motherhood speeches about Ukrainian Day, Polish Day, Hungarian Day and so on, alluding to the ethnic groups in this province and celebrating the national days of these different ethnic groups. Yet when the government hires them, unless they become Canadian citizens, they cannot be appointed

to the regular staff and they stay as probationary employees forever and a day.

Mr. J. E. Stokes (Thunder Bay): Did the minister know that? Did he know that?

Mr. Lewis: Shame.

Hon. J. Yaremko (Provincial Secretary): They cannot take the oath of office.

Mr. Lewis: Why? Why not? Why should they not be able to take the oath of office?

Hon. Mr. Yaremko: Because they cannot.

Mr. Lewis: Why can they not salute the Queen as much as any other citizen?

Hon. Mr. Yaremko: Because they cannot.

Mr. D. C. MacDonald (York South): This government is hidebound by tradition, that is its problem.

Interjections by hon. members.

Mr. Pilkey: And these people are being discriminated against—

Mr. Lewis: The Treasurer is just a little put out because we—

Interjections by hon. members.

Mr. Lewis: Look, we nominated an IBM executive against the minister, and he is in trouble.

Mr. Pilkey: Well, I want to tell the government—and it knows full well—that these probationary employees have no guarantee of tenure, they are subject to being dismissed at any point in time, as opposed to the regular staff. Those employees who come from an ethnic background, who are not Canadian citizens—and obviously they cannot become Canadian citizens, as I understand it, for a five-year period—they may come over here and get employment in the service of this government. They are sitting there and can be discharged, disciplined or whatever might happen to them, and they have no recourse to the grievance procedure under the civil service Act of the Province of Ontario.

Mr. Lewis: The minister will have to change that; that is really indefensible. Why do they discriminate against minority groups over there?

Mr. MacDonald: Particularly ethnic minority groups.

Mr. Lewis: Probably it is the Provincial Secretary's policy, devised by him.

Mr. Pilkey: Well, the government, talking about job security, about what it is like to work for a giant, it appears to me that they are working for a dwarf when they are subject to those rules and regulations. Let us find out what the government is saying about job security. It says job security within the service is unequalled in most areas of employment in private industry and commerce and is one of the benefits which helps the Ontario public service attract highly qualified and dedicated people. Well, the job security for those probationary employees is not comparable to those in private industry and commerce because the probationary period is too long and this government discriminates against the people who are not Canadian citizens or British subjects.

Mr. W. Hodgson (York North): They cannot vote for the member, those who are not Canadians.

Mr. Pilkey: Well, the—

Mr. Lewis: They are listening to him on Queen Street.

Mr. Pilkey: I want to, just for a moment—and I know it has had considerable debate in this House—the Little report. The government did initiate—

Hon. Mr. McKeough: I hate to draw this to the member's attention but this really should have been raised under Treasury Board secretariat and staff relations branch rather than here, if you are about to talk about Bill 217—

Mr. Pilkey: No, I meant—

Hon. Mr. McKeough: —or the Little report. It is Treasury Board secretariat.

Mr. Gisborn: Do not be touchy! You can learn something, if you will listen.

Mr. Pilkey: I was talking about the civil service—

Hon. Mr. McKeough: I read it to him in the estimates last year.

Mr. Pilkey: I appreciate it. I thought that each of the two parties would lead off in terms of the civil service of this province. Obviously the Little report reflects on the civil service of this province; that is what the report was all about.

All I wanted to really say about the Little report was that the government obviously have not acted on the report. You did initiate a bill or presented a bill in this House, Bill 217 I believe, and then it was withdrawn. Very frankly, if the Little report is going to be the basis of any new legislation, I suggest you forget about it.

That report was a bad report in totality, and does not provide free collective bargaining for the employees of this province. Mr. Chairman, that is about all I wanted to say about it except that there are other jurisdictions in Canada which have provided meaningful collective bargaining procedures.

In 1944 the government then elected in the Province of Saskatchewan brought in the Trade Union Act. The employees in that province had the right to join a union of their choice; they had the right under that Trade Union Act to strike if necessary.

I wanted to tell the government that during the years 1944 to 1964 while the legislation was in effect there was not one strike in the public service in the Province of Saskatchewan during the CCF-NDP government.

Interjection by an hon. member.

Mr. Gisborn: The member should not be so touchy. He could learn something.

Mr. Pilkey: We are talking about the civil service.

Interjections by hon. members.

Mr. Pilkey: I just happen to think—

Mr. MacDonald: "Eric Thatcher Winkler" speaks again!

Hon. E. A. Winkler (Minister of Revenue): Strong resemblance right there, I will tell you.

Mr. Pilkey: I just happen to think, Mr. Chairman, that the employees of this province should have the free right, or the right to choose the union that they want to belong to. They ought to have the right to free collective bargaining. If we are going to guarantee that employees in the public service are going to gain the same kind of economic stability that they have in the private sector—many employees in the private sector—they ought to have the right to free collective bargaining.

I want to tell the minister, and I want to close on this point, when this government

initiated compulsory arbitration under The Hospital Labour Disputes Arbitration Act, those employees were about 21 per cent behind the municipal employees in the Province of Ontario. Since the Act has come into force, and they have had to go through the compulsory arbitration here in the Province of Ontario, there is now a 42 per cent disparity. They are falling further and further behind.

Mr. Stokes: Shame!

Mr. MacDonald: Shame!

Mr. Pilkey: I want to tell you that if employees—and whether Mr. Bowen, who is the head of the Civil Service Association and his executives say that they do not want free collective bargaining, I think that their members should be consulted to find out whether they want it, because I want to tell them that if they do not have free collective bargaining rights, they are not going to make equal progress with those in the private sector, and they will fall further behind.

They are subject to the wage guidelines that this government might set and have no retaliatory methods. They were talking about work to rule, I do not know how effective that would be. But it seems to me that if you are going to the bargaining table as equal partners—and surely you want your employees to be equal partners with this government—then they have to have the right to free collective bargaining and all of the ramifications that go with it.

Mr. Chairman: In order to comply with the 10:30 adjournment, perhaps we should now have the motion to rise rather than have the hon. member for—I would entertain a motion to rise and report at this time—

Hon. Mr. Winkler: Are there other—

Mr. Chairman: There will be.

Hon. Mr. Winkler moves that the committee rise and report.

Motion agreed to.

The House resumed, Mr. Speaker in the chair.

Mr. Chairman: Mr. Speaker the committee of supply begs to report it has come to certain resolutions, and asks for leave to sit again.

Report agreed to.

Mr. S. Lewis (Scarborough West): Before you move the adjournment—

Mr. T. P. Reid (Rainy River): Has the minister decided what we are going to do tomorrow?

Hon. E. A. Winkler (Minister of Revenue): Of course, we will proceed with the conclusion of the estimates of the Treasurer (Mr. McKeough) and we will proceed to item 17 on the order paper and a further second reading standing in the name of the Treasurer.

Mr. Lewis: Which is what? What is item 17 for second reading?

Hon. W. D. McKeough (Treasurer): The University of Toronto.

Hon. Mr. Winkler: The University of Toronto.

Mr. Lewis: I see. The Provincial Secretary (Mr. Yaremko) will be away tomorrow I take it?

Hon. Mr. Winkler: Yes.

Mr. R. F. Nixon (Leader of the Opposition): You are postponing the Attorney General's estimates as long as possible.

Hon. A. F. Lawrence (Minister of Justice): I was ready to go today.

Hon. Mr. Winkler moves the adjournment of the House.

Motion agreed to.

The House adjourned at 10:30 o'clock, p.m.

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ONTARIO

Legislature of Ontario Debates

OFFICIAL REPORT — DAILY EDITION

Fourth Session of the Twenty-Eighth Legislature

Wednesday, June 30, 1971

Speaker: Honourable Fred McIntosh Cass, Q.C.

Clerk: Roderick Lewis, Q.C.

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HOUSE OF COMMONS — LONDON

Session of the House of Commons

Wednesday, June 30, 1914

Session of the House of Commons
June 30, 1914

THE HOUSE OF COMMONS
LONDON

LEGISLATIVE ASSEMBLY OF ONTARIO

WEDNESDAY, JUNE 30, 1971

The House met at 10 o'clock, a.m.

Prayers.

Mr. P. J. Yakabuski (Renfrew South): Mr. Speaker, I would like to rise on a point of personal privilege.

Yesterday afternoon during the question period when I had your permission to ask a question of the ministry, the leader of the New Democratic Party rose in this House on a point of order and complained bitterly about me, the member for Renfrew South, being allowed to participate, in his words "day after day in the question period."

Mr. M. Shulman (High Park): He was so shocked at the member speaking for the first time in four years.

Mr. Yakabuski: By his actions yesterday, the leader of the New Democratic Party attempted to restrict the private members of the government caucus—

Mr. F. Young (Yorkview): The member should take his election campaign to Renfrew South.

Interjections by hon. members.

Mr. Yakabuski: —and deprive them of their rightful freedom to participate in the business of this House.

Mr. Shulman: We did not want to set a precedent by someone from Renfrew South speaking.

Mr. D. C. MacDonald (York South): The member is a joke.

Mr. Young: He is not afraid of the New Democrats in Renfrew South, is he?

Mr. Yakabuski: Mr. Speaker, two years ago I had the privilege to sit on the select committee on rules and procedures. The task assigned to that committee was to re-write and streamline the rules and procedures of this Legislature. One of our objectives was to allow for greater participation by the private members of all parties in the proceedings of this House.

Mr. Shulman: The member is proving today it was a mistake.

Mr. Yakabuski: This was agreed upon by members of all parties serving on the committee. This was accomplished by several means—

Mr. R. F. Nixon (Leader of the Opposition): Here comes the member for Riverdale (Mr. J. Renwick). Look out!

Mr. Yakabuski: Firstly, by allowing for estimates to be heard in committee—

Mr. Nixon: The member for Riverdale is the heavy.

Mr. Yakabuski: —outside the House; and secondly by enlarging the question period to its present 45 minutes.

Mr. MacDonald: How long does this go on?

Mr. Yakabuski: This, in my opinion, has worked well up until now.

Mr. Nixon: What is the member's point?

Mr. Yakabuski: I have on occasion taken advantage of the new facility. More recently, I have been increasingly active during the time available, both in the committee of supply and in the question period, asking questions of current and urgent importance.

Mr. E. Sargent (Grey-Bruce): They are picking on the member.

Mr. Yakabuski: Mr. Speaker, with your permission I intend to continue that activity.

Interjections by hon. members.

Mr. MacDonald: Good for the member! What a fighter, in the true tradition of Renfrew county! Slug it out!

Mr. Yakabuski: The right to participate in the question period, the right to participate in the debates and the right to participate in the other business of this House does not alone belong to the ministry. It

does not alone belong to the official opposition, nor does it belong solely to the leader of—

Mr. Young: Nobody denied the member that right.

Mr. Sargent: Why does the member not drop in some time?

Mr. Nixon: The member must be worried about his re-election. He has not said anything for three years.

Mr. Yakabuski:—nor does it belong solely to the leader of and the New Democratic Party. That democratic right, Mr. Speaker—

Mr. MacDonald: How long does this go on? As a personal privilege this is a speech.

Mr. Yakabuski:—belongs to each and every member of this Legislature.

Mr. Speaker, if these rights are restricted or if we, the private members of this Legislature are deprived of them, then I say this House will degenerate into an institution unworthy of operating in the name of democracy.

Mr. H. Peacock (Windsor West): John Wilkes and Cromwell.

Mr. MacDonald: Is that right? The member's ghost writers are certainly looking for something to do.

Mr. Yakabuski: Mr. Speaker, if the actions of the leader of the New Democratic Party of yesterday afternoon are any indication of what we can expect if that party ever takes power, then I say God help this Legislature and the province.

Interjections by hon. members.

Mr. Young: Oh now we are getting political. Come on!

Mr. MacDonald: The member is afraid of us. At least he perceives the future accurately.

Mr. Speaker: I think we can now move into statements by the ministry.

Mr. Peacock: Oliver Cromwell and Charles I; off with his head

Mr. S. Lewis (Scarborough West): I will have a point of personal privilege on Monday.

Mr. S. J. Randall (Don Mills): On what point? The right of free speech in this House?

Mr. J. R. Simonett (Frontenac-Addington): The member did not get away with it.

Mr. MacDonald: The member is a joke.

Mr. Young: They are always afraid of Renfrew South. They are all divided in Renfrew South.

Hon. A. F. Lawrence (Minister of Justice): Mr. Speaker, at the—

Interjections by hon. members.

Mr. Speaker: Order! Statements by the ministry.

Hon. A. F. Lawrence: At the appropriate time this morning, I want to table the annual report of the Ontario Police Commission for 1970, but in doing so I want to make a statement relating to it. I thought, in fairness to the House, I should make the statement at this time. So the statement I am making is in relation to a report that has not yet been tabled but hopefully within the next few half hours will be tabled.

My purpose in making a statement at this time is that the report does mention one or two topics I think need further elucidation as far as the ministry is concerned.

In tabling the report, I know that it will be of significant interest to the members of the Legislature. The report mentions one or two particular matters which I know will come to the attention of some of the hon. members. I thought it might be helpful if I commented briefly upon these specific subjects in order that such hon. members may understand some of the background, as well as some of what has followed upon these items.

I would seek the indulgence of the House in permitting me to mention these matters in that amount of detail which I think is appropriate. While it may seem brief, I would point out that the very nature of our responsibility and investigation makes it impossible to give all of the details which must presently rest with the law enforcement agencies involved in continuing the investigations and maintaining appropriate law enforcement in these particular areas which I know will be drawn to the attention of the hon. members.

The Ontario Police Commission became aware of the smuggling of aliens through various law enforcement agencies that have a responsibility in that regard. The introduction of this information into the intelligence system resulted in meetings that were held earlier this year by the Ontario Police Commission and drew the attendance of representatives of all of the major law enforcement agencies, together with appropriate representatives of the immigration departments on both sides of the border, as well as law enforcement agencies from the United States.

As a result of these meetings, facilities have been developed to provide for the production and collation of all intelligence information that may be derived from these many agencies and which may be disseminated on a 24-hour basis to all of those engaged in law enforcement respecting immigration matters. In this way, sir, the utilization of our intelligence services has permitted us to deal rapidly and effectively with this situation.

In the same way the matter of layoff betting became a concern to major law enforcement agencies throughout the whole of Canada.

Mr. Sargent: Not to this government, though.

Hon. A. F. Lawrence: Here again, meetings were held which have taken place over the last few years—

Mr. Sargent: This government is the only one that is not concerned about it.

Hon. A. F. Lawrence: —so that all police forces might be co-ordinated in their efforts to deal with this operation. This perhaps was a classical example of the effective use of intelligence information which permitted law enforcement agencies from the major cities across Canada to co-ordinate their efforts and investigations with the result that charges were laid and the people involved were arrested in the major metropolitan areas extending from Vancouver to Montreal.

The information which was derived through this particular intelligence operation has continued to be of assistance in guiding law enforcement agencies so that they may effectively deal with people engaged in these gaming operations. This is the purpose of the intelligence unit within the Ontario Police Commission and this particular case

demonstrates the use to which we may effectively put information that can be utilized by operating police forces for the protection of the public regardless of boundaries.

Once again the hon. members, when they have a copy of the report placed in their hands, will note a reference to our concern about the infiltration of ordinary business operations by those persons who may be of questionable background. The co-operation of law enforcement agencies and their intelligence units provide the intelligence officers of the Ontario Police Commission with all of that material which enables operating police forces to have a knowledge of the situation throughout Ontario so that appropriate investigations may be made and prosecutions undertaken wherever offences may be committed.

It is not an offence for a person of questionable background to acquire a business interest. It is of continuing concern, and information relative to all aspects of this matter continues to be provided to law enforcement agencies and is now collated so that all may be informed about the matter and appropriate steps taken where the law so permits. Here again the information is the significant fact which buttresses the efforts of all law enforcement agencies in ensuring that criminal elements will not be permitted to gain a foothold.

As is noted in the report, sir, we continue to have crime in Ontario and we will continue to discover that crime as our methods of law enforcement become more efficient. In making mention of these matters, which must cause all of us legitimate concern, I did wish to make it clear that our law enforcement agencies and the Ontario Police Commission are well informed and are dedicated to the continuing effort to make the environment of Ontario as unhappy a place for the criminal element as it is possible to find in this hemisphere. We will continue in our efforts to provide those facilities that permit our law enforcement agencies to successfully accomplish their task. I thought that the report should be tabled today in anticipation of the early discussion in this House of the estimates of my department.

Hon. A. B. R. Lawrence (Minister of Health): Mr. Speaker, for some time now I have been concerned with the system of appointing medical staff and granting privileges to doctors in public general hospitals in Ontario. Related to that subject is, of course,

the question of admission of patients and the priorities established for the use of hospital beds.

It seems to me that in the Province of Ontario the present system appears to be working fairly well. However, there may be instances where the public interest is not being safeguarded as well as it might.

Under regulations of The Public Hospitals Act all public general hospitals in this province have systems which provide for medical staffing patterns and for admission of patients. While it is not our desire to interfere in the internal arrangements of these hospitals, it appears there may be a need for a mechanism whereby conflicts can be resolved when present internal arrangements do not provide for their equitable resolution.

Therefore, Mr. Speaker, I have appointed a ministerial committee to do the following things: To inquire into and report upon:

1. The appointment of medical staff and the granting of privileges to medical staff in public general hospitals;

2. The practices and methods of public general hospitals relating to the admission of patients for treatment and the priorities established for the use of hospital beds and other facilities;

3. The practices and methods of the teaching and non-teaching public general hospitals respecting the admission of patients of physicians holding staff appointments as against of patients of physicians not holding such appointments, and whether inequities result under the present system.

The committee will be chaired by Mr. S. G. M. Grange, QC, a Toronto lawyer. Members of the committee will be Dr. Hugo Ewart, president of the Ontario Hospital Association; Dr. John Riches of Thunder Bay, a member of the council of the College of Physicians and Surgeons; Mrs. Gwen Pemberton of Bayfield, who is co-chairman of the Ontario health services committee of the Consumers' Association of Canada; and Dr. Arthur D. Kelly, chairman of the executive committee of the Canadian Red Cross Society.

In appointing the committee, Mr. Speaker, I have asked it to keep in mind that the public interest must be its foremost concern. Doctors must be able to look after their patients in an adequate manner within the hospital system of this province.

Mr. Speaker: Oral questions.

SENIOR POLICE OFFICIALS' SENTENCE

Mr. Nixon: Mr. Speaker, a question of the Attorney General: Is he satisfied with the sentence handed down in regard to the conviction on a charge of insubordination directed at two senior police officials?

Is there an appeal from that sentence and does he intend to consider making use of an appeal, if such exists?

Hon. A. F. Lawrence: Mr. Speaker, I am still considering the matter. It certainly does pose very great disciplinary problems and some moral problems within the force. I have not yet come to any conclusions. I would appreciate the guidance of the House and the members of the House in this matter.

As far as I know, there is no appeal. I have not directed my mind to that. I am certainly certain that there is no appeal, but I will check into that and advise the hon. member.

Mr. Nixon: A supplementary, really a matter of clarification: Is it true that the two senior members charged and now sentenced were in fact without any duties under the police commission for a full year and receiving full pay during that time?

Hon. A. F. Lawrence: That is correct. They were suspended from duty. But under the circumstances the advice that I received was—and of course this predates my tenancy of my office—was that they had to be paid for the time they were under suspension.

Mr. Nixon: A further supplementary: Since the minister's estimates are due in the near future, we understand, I hope—

Mr. V. M. Singer (Downsview): We think!

Mr. Nixon: —he would be prepared to make a fuller statement on this matter, or perhaps would he agree that would be a suitable time when it might be discussed in the House and when we might have the advantage of knowing his fuller opinion on it?

Hon. A. F. Lawrence: My understanding is it might even be possible to get on with the Attorney General's estimates today—

Mr. Singer: Really! At what hour?

Hon. A. F. Lawrence: —and I—

Mr. Singer: This is fairly well settled, is it?

Hon. A. F. Lawrence: No, it all depends on the co-operation received by the members

of the House in respect of the passage of certain other matters.

I have been ready to go on for a couple of days, but my point is simply that the sentence was just handed down. I really have not had time to consider it in anticipation of other matters relating to the estimates, and I am not so sure I would have anything more worthwhile to contribute before making some of these decisions, until after the estimates are finished. But during the estimates, certainly, it will provide an ideal opportunity for any member of the opposition, or any member of the House who wants to give me the benefit of his advice.

MINISTER'S COMMENTS ON MEDICAL PROFESSION

Mr. Nixon: Mr. Speaker, I have a question of the hon. Minister of Health.

Does he plan in the near future to give some further specific and definitive information regarding his comments in criticism of specific unnamed individuals in the medical profession made now some weeks ago?

Is he going to continue to say that the statutes and regulations do not permit any further information to be made available, or will we have an opportunity before we consider his legislation, which is now printed, to know some of the details of his feeling that the medical profession requires not only a financial but a professional audit in some specific cases?

Hon. A. B. R. Lawrence: I had assumed, Mr. Speaker, that this would be dealt with when the OHSIP amendments are before the House on second reading and otherwise.

Mr. Nixon: A supplementary: Is the minister aware of certain criticisms levelled at him over the last few weeks, and more specifically in an article made public within the last two days by representatives of the medical association? Is he prepared to give some more specific answers to the charges laid against him that he is, in fact, impugning the responsibilities of the medical profession without backing them up with specific facts?

Hon. A. B. R. Lawrence: Mr. Speaker, I had not felt that there were any charges that I was required to answer. I had not considered—

Mr. Nixon: I do not think the minister is required to.

Hon. A. B. R. Lawrence: —the comments that were made as any way an indictment.

Mr. MacDonald: The Liberals have always championed the medical profession to the detriment of the public interest.

Mr. J. B. Trotter (Parkdale): Oh nonsense!

Hon. A. B. R. Lawrence: I would say, Mr. Speaker, that on Monday I hope to be issuing about 11,000 copies of a letter to the medical profession amplifying and explaining the background of the policy that is involved in the particular legislation. It is an information piece and I will see that members of the House and press have copies of this general letter too. Otherwise, as I said earlier, I am of course available to the House as the bill moves through the Legislature and/or committee.

ODC GRANTS

Mr. Nixon: Mr. Speaker, a question of the hon. Minister of Trade and Development.

Has he read the press accounts of a study of the funds that have been sent out across the province by the Ontario Development Corporation under his direction and the direction of his predecessor?

Has he come to some rationalization of the findings of that paper, which indicates that the policy seems to favour the payment of grants to industries located in constituencies represented by Conservative members?

Can he specifically explain why, in the one area brought to public attention by the research, involving the area covered by the constituencies of Huron, Huron-Bruce and Perth, there seems to be a substantial favouritism, at least from the facts available, for the constituency of Huron, represented by the former Treasurer (Mr. MacNaughton)?

Hon. A. Grossman (Minister of Trade and Development): Mr. Speaker, of course, when the hon. Leader of the Opposition refers to an article in the press, what he is really—

Mr. Sargent: Why does the minister not read the article?

Hon. Mr. Grossman: I just did. If the member will be quiet, I have it right here.

Mr. Sargent: Read it into the record.

Hon. Mr. Grossman: Take it easy!

The hon. Leader of the Opposition refers to a statement in the press. What he really is referring to is a repetition in the press of a statement that was made by some sheet called the Canadian Forum.

Mr. T. Reid (Scarborough East): It is a communist rag.

Mr. MacDonald: Some sheet! It has been around since before the member was born.

Hon. Mr. Grossman: Well the Canadian Forum is a so-called cultural-economic publication, which is issued by a group headed by the erstwhile official Liberal candidate for the mayoralty of Toronto, and I think that does not necessarily mean that the Forum—

Interjections by hon. members.

Hon. Mr. Grossman: Oh, Mr. Speaker—well, give me a chance.

Interjections by hon. members.

Hon. Mr. Grossman: I just thought—

Mr. Chairman: Order! Point of order?

Mr. Lewis: Point of order, Mr. Speaker, I think the volume on this side of the House relates to the fact that the Canadian Forum is a nationally respected publication and has been for many years.

Interjections by hon. members.

Mr. Speaker: That is not a point of order, and when a question with political implications is asked—

Mr. MacDonald: On a point of order, Mr. Speaker.

Mr. Speaker: Mr. Speaker is on his feet at the moment. When a point with political implications is asked I am sure the ministry has every right to use political replies.

Mr. Lewis: He has no right at all.

Interjections by hon. members.

Mr. Speaker: Order! The member for York South.

Mr. MacDonald: He has absolutely none. If my leader's interjection is not in order, I suggest to you, sir, that this lengthy political preamble is not an answer and is therefore out of order.

Mr. J. Renwick (Riverdale): That is right.

Mr. MacDonald: —and it is your obligation to cut it off. You cut it off on this side of the House.

Interjections by hon. members.

Mr. Speaker: The Leader of the Opposition.

Mr. Nixon: If you will permit. Obviously the minister has the right to say what he chooses and when he says what he has said, he simply shows his ignorance of the quality of the writing in the magazine.

Hon. Mr. Grossman: Well, Mr. Speaker—

Mr. Speaker: The hon. minister has the floor to reply to the question.

Hon. Mr. Grossman: Mr. Speaker—

Mr. Nixon: He should not be censored by Mr. Speaker.

Hon. Mr. Grossman: Mr. Speaker, I do not think there is anything wrong with anyone getting up in this House, when an article is referred to, to let the Legislature know what the background of the publication is. What is wrong with that?

Interjections by hon. members.

Mr. Nixon: The implication is that the Canadian Forum was—

Hon. Mr. Grossman: Hansard will show that I was interrupted in the middle of a statement which I was making which—

Interjections by hon. members.

Hon. Mr. Grossman: —oh, why do members not be quiet!

I was just saying that that does not necessarily detract from the fact that the magazine—

Interjections by hon. members.

Mr. Speaker: Order!

Interjections by hon. members.

Hon. Mr. Grossman: As a matter of fact, Mr. Speaker, I was also going to express some surprise and suggest that perhaps there might be some bias in that article, because it never once mentioned the NDP ridings.

Mr. Lewis: So what?

Hon. Mr. Grossman: So I think the hon. members should know that there may be some bias in this article.

Interjections by hon. members.

Hon. W. A. Stewart (Minister of Agriculture and Food): If the Grits were in power the NDP would not get anything.

Mr. Singer: They do not deserve anything!

Hon. W. G. Davis (Prime Minister): They do not deserve any? Did I hear that correctly?

Hon. Mr. Stewart: Yes, the NDP does not deserve anything, so the member for Downsview says.

Hon. Mr. Grossman: Mr. Speaker—

Hon. Mr. Stewart: Just wait until the Grits take over. No one gets anything but a Grit.

Mr. Nixon: Did the Minister of Agriculture and Food say he just cannot wait?

Hon. Mr. Stewart: Yes, they will not get a thing. Nobody will get a thing but the Grits.

Mr. Speaker: Order. The question period time is running on.

Hon. Mr. Grossman: Mr. Speaker, I do not think, insofar as this particular article is concerned, or whatever has been gleaned from this article—

Mr. J. Renwick: Is it factually accurate or not?

Hon. Mr. Grossman: Such a learned article. They could have learned it all from reading the speeches of the hon. member from Owen Sound, because I read this in Hansard in the last year's estimates. I was reading last year's estimates and the hon. member from Owen Sound repeated this.

Interjections by hon. members.

Mr. Sargent: Point of order.

Mr. Speaker: Point of order. The hon. member for Grey-Bruce.

Hon. Mr. Grossman: So I do not know—

Mr. Sargent: On a point of order, Mr. Speaker, this minister refuses to furnish a list of ODC loans.

Mr. Speaker: What is the point of order?

Mr. Sargent: I could not have put it in the record; I did not have them. He will not furnish a list of the ODC loans, and I could not have told him in the House.

Hon. Mr. Grossman: This is not true. This minister has never been asked to furnish a list of the ODC loans so he has not refused.

Mr. Sargent: His staff will not furnish a list.

Hon. Mr. Grossman: Just a moment. In the first place, with all that money that is given to the Liberal opposition for research, all they have to do is go and—

Mr. Speaker: Order. The hon. minister is answering a question by the Leader of the Opposition.

Hon. Mr. Grossman: I was accused, Mr. Speaker, of not giving the information on ODC loans.

Mr. MacDonald: Has that become evident only at this point?

Mr. Speaker: The hon. minister has just spoken to that point quite adequately.

Hon. Mr. Grossman: All of the ODC loans are posted. They are orders-in-council, so all you have to do is take a look at the posting and you would have them. All the members have to do is ask for this list and they will get them.

Mr. Lewis: No, we do not get them. Since the minister came to power we do not get them.

Mr. Speaker: The hon. minister might please proceed to answer the question.

Mr. Lewis: The minister's people will not give them to us.

Hon. Mr. Grossman: Give the member what?

Mr. Speaker: Order. The hon. minister is answering a question.

Hon. Mr. Grossman: I would be glad to give the hon. member a list of the loans.

Mr. Nixon: That is not the question.

Hon. Mr. Grossman: The point is, Mr. Speaker, I do not have to give the lists to them, because they are posted.

An hon. member: Because they have no right to know.

Hon. Mr. Grossman: They look at all the other orders-in-council that are posted.

Mr. Lewis: Of course, we do not look at the—

Mr. Speaker: Order! Perhaps the hon. minister will now return to answering the question by the Leader of the Opposition.

Hon. Mr. Grossman: Mr. Speaker, you are allowing these questions to be asked in the interim—

Mr. Speaker: No, they were points of order.

Hon. Mr. Grossman: —I naturally am interested in answering them. The article refers to the fact that:

—there has been a great deal of lobbying among the MPPs to have municipalities in their ridings designated for assistance by ODC.

Well, what a surprise! Of course the hon. members of all parties are lobbying, and why should they not?

Interjections by hon. members.

Hon. Mr. Grossman: If I had employment difficulties in my ridings and there was a possibility of getting some assistance, that it was possible for a firm to come in with assistance—or to come to the assistance of a firm which may possibly be going to lay people off—I would put all kinds of pressure on the government and on the ODC and on the minister.

Mr. Sargent: Eighty per cent of the money goes to Tory ridings!

Mr. Speaker: Order!

Interjections by hon. members.

Mr. Speaker: Order! The hon. member for Grey-Bruce will resume his seat and cease interrupting the minister.

Hon. Mr. Grossman: Mr. Speaker: I would be very glad, instead of talking about percentages, if the hon. members during my estimates would be prepared to deal with each request for a loan.

Mr. Sargent: That is for sure!

Hon. Mr. Grossman: That is all right. We will deal with each one on its own merits. The suggestion that this government or ODC will not help in establishing employment in any riding in any area of this province because of its representation, is not only false,

it is despicable. To suggest that we would refuse a loan knowing that it means employment anywhere in this province, is a terrible charge to make and I deny it, Mr. Speaker.

Interjections by hon. members.

Mr. Nixon: I must assume it is pay day to bring all those people in the House on a morning.

Mr. Speaker: if you will permit me, I have a question—

Mr. Lewis: There is a good answer to that article if the department will do the job properly. It is a stupid article, it never indicated why—

Mr. Speaker: Order!

Hon. Mr. Davis: The member said it was a stupid article? I am glad he agrees.

Mr. Lewis: Yes, there was a lot of stupid analysis.

PROVINCIAL GRANTS TO CHILDREN'S AID SOCIETIES

Mr. Nixon: Mr. Speaker, I have a question of the Minister of Social and Family Services. I wonder if the minister can indicate to the House why there is a delay in sending out the provincial grants in support of Children's Aid Societies? In one specific area, the Children's Aid Society has already built up a debt of \$400 in interest alone in money it had to borrow while waiting for the grants to be payable.

Hon. T. L. Wells (Minister of Social and Family Services): Mr. Speaker, as far as I know, there is no delay in sending out the grants. The money is going to the Children's Aid Societies. The only thing they have not heard officially is whether or not their budgets for this year have been approved. These letters, as a matter of fact, are in the mail to them today.

Mr. Nixon: A supplementary: If the letters are in the mail today that may clear up the problem, but would the minister be good enough to look into the situation in Lambton county where I am informed that \$400 interest charges have already been entered into because of the delay in the payment of the provincial grant?

VICTORIA COUNTY WELFARE DEPARTMENT

Mr. Nixon: Mr. Speaker, another question of the same minister. Has he now got a report on the situation on the welfare offices in Victoria County where there are some difficulties, some indications that the minister ought to examine the situation?

Hon. Mr. Wells: Mr. Speaker, there are difficulties, as the hon. member has indicated. Our people have prepared the report; I have turned it over to the Attorney General. I want his people to look at it before I make a statement to the House.

Mr. Singer: At least somebody is consulting the law officers of the Crown at long last.

Hon. Mr. Wells: We always consult the law officers of the Crown.

Mr. Singer: Yes, like Agriculture.

Mr. Speaker: The hon. member for Scarborough West.

PROVINCIAL NUCLEAR ENERGY POLICY

Mr. Lewis: A question of the minister of Energy and Resources Management: Before he introduces his new bill later this morning would the minister table the correspondence between Senator Maurice Lamontagne and George Gathercole, head of Ontario Hydro, and their discussion of nuclear energy policy in the Province of Ontario?

Hon. G. A. Kerr (Minister of Energy and Resources Management): Mr. Speaker, I will have to look into that and advise the hon. member of my decision at a later date.

Mr. Lewis: By way of supplementary, if the minister learns, as he will, that Senator Lamontagne, as head of science policy in Canadian terms, has cast very careful scientific doubt on the appropriateness of the whole Ontario nuclear policy area, would he not in the public interest think that the correspondence of the chairman of Hydro with Mr. Lamontagne should be revealed and perhaps brought before one of the legislative committees?

Hon. Mr. Kerr: Mr. Speaker, I would certainly want to discuss it with the chairman to see just what particular correspondence the hon. member is referring to. There were

detailed reports in the press some weeks ago of Mr. Lamontagne's statement. These were replied to by Mr. Gray of AECL, criticizing some of the statements that particular senate committee made. After all, the whole programme is basically a federal programme as far as the development of nuclear power is concerned. Therefore, in view of that, I would certainly want to see just what the correspondence refers to before making a commitment.

EFFECT OF ANTIPOLLUTION PROCEDURES ON INDUSTRY

Mr. Lewis: Another question, Mr. Speaker, of the Minister of Energy and Resources Management: When does the minister intend to meet with the workers of Electro Metals, totally owned subsidiary of Union Carbide in Welland about the implications of the pollution abatement procedures imposed by the minister's department?

Hon. Mr. Kerr: Mr. Speaker, I am hoping that meeting will be held early in July, probably next week. I feel I would like to involve the Ministers of Labour (Mr. Caillon) and Trade and Development in that meeting.

Mr. Lewis: By way of supplementary: Does the minister want to involve his associate ministers because of the company's indication that they may well close down the furnaces rather than accept the pollution procedures, and move to Quebec or take offshore materials?

Hon. Mr. Kerr: Mr. Speaker, there is some rumour to this effect. There has been no statement by the company, no confirmation by the company, that they intend to shut down part of their operation or lay off any men. Apparently this particular point was raised during recent labour-management negotiations. This is the concern of the union, and therefore I feel that my two colleagues I have mentioned should be part of any meeting that we have with the union representatives.

MINISTERIAL MEETINGS WITH INDIAN BANDS

Mr. Lewis: Mr. Speaker, a question of the Prime Minister.

Is the Prime Minister aware that a number of meetings have been called by his colleague, the Provincial Secretary and Minister of Citizenship (Mr. Yaremko), between the

Ontario government and, to use his words, "the leaders of Ontario's native community" for the first two weeks of July?

Hon. Mr. Davis: Mr. Speaker, I am not aware of the specific number of meetings, but there are a number of meetings scheduled. I believe the first is in Moosonee today. I am not sure of this, but I think so.

Mr. Lewis: By way of supplementary then, did his colleague bring it to the Premier's attention that the grand council of Treaty No. 3, which I guess is the northwestern Ontario treaty area, wrote a letter to the Provincial Secretary asking:

That the Ontario government not attempt to divide and conquer by talking with each band council individually, but to accept a brief which was submitted on behalf of the entire northwestern treaty area.

Why is it that the minister has continued to meet individually with small groups of bands? I believe Kenora is on July 6, and then he works his way across. Why has this minister no respect for the submissions made to him by the Indian councils in this area?

Hon. Mr. Davis: Mr. Speaker, the minister has respect for all submissions made. He determined that this was an approach that was workable, and it has been well received by a number of the Indian bands. This does not preclude at all representation from a collective group of Indian bands in the northwest. This does not preclude that possibility or probability at all.

Mr. Lewis: By way of one final supplementary, why were none of the Indian bands and councils consulted in advance of the substance of the meeting, the agendas, the essential planning? Why was this again arbitrarily imposed in the month of July, prior to certain other events, as the Indians themselves feel is the case maybe?

Hon. Mr. Davis: Mr. Speaker, there is nothing arbitrary about any agenda. The minister has had consultation with a number of representatives from the Indian communities and he feels, and the government feels, that this is a very excellent way to determine the needs of the Indian communities in this province. I would think the leader of the New Democratic Party would be delighted that the government is endeavouring to come to grips with some of these situations.

Mr. Lewis: Except it looks to be totally politically motivated. The old style again.

Interjections by hon. members.

Hon. Mr. Davis: Mr. Speaker, the hon. member should be the last one to talk about political motivation.

Mr. Lewis: Well it is here, it is from the communities themselves.

Hon. Mr. Davis: We will meet people when we want to meet them, but I would suggest with respect that the leader of the NDP put aside this feeling that everything is politically motivated.

Mr. J. Renwick: That is right, the government will meet them when it wants.

Hon. Mr. Davis: There is never a day goes by that the member does not make some statement or speech that is politically motivated.

Interjections by hon. members.

Mr. Lewis: Unfortunately we are not yet running the government, but it is coming—we are looking forward to it.

Interjections by hon. members.

Hon. E. A. Winkler (Minister of Revenue): They will not!

Mr. Randall: They will not be, either.

Mr. Lewis: The government is going to have to answer the questions in these kinds of matters sometime!

Interjections by hon. members.

Mr. Lewis: Why does the Premier continue to persist in having that minister responsible for Indian affairs in the Province Ontario? Why is he so stubborn about it?

Mr. Yakabuski: Because he is a good man, Charlie Brown!

An hon. member: A very competent man.

NORTH YORK HYDRO DISPUTE

Mr. Lewis: May I ask one further question, Mr. Speaker, of the Minister of Labour?

Has the minister, on this Wednesday morning, any further information about the settlement of the North York Hydro strike situation?

Hon. G. Carton (Minister of Labour): Mr. Speaker, we have been in touch with the parties and will be called back within a day or two; we are waiting for the precise moment on this.

I might mention, Mr. Speaker, that this particular branch of my department works 24 hours, seven days a week, so the holiday coming up has no interference there.

Mr. Lewis: I appreciate that.

By way of supplementary, was the minister himself involved directly with the parties in the last 24 hours?

Hon. Mr. Carton: No, Mr. Speaker.

Mr. Speaker: The member for Peel South.

SWIMMING POOL SAFETY REGULATIONS

Mr. R. D. Kennedy (Peel South): Mr. Speaker, I have a question for the Minister of Health, with respect to the 1971 swimming pool safety lifeguard regulations, particularly as they apply to apartments.

I was wondering if the minister would review these, because they seem to be more stringent than is warranted. For example, last year, in 1970, when presumably these regulations did not exist, there were no fatalities in apartments. In 1969 there was only one.

In hotels and motels last year there were four. The year before too, in 1969, there were two fatalities. Yet the regulation states there will not be a lifeguard if there are fewer than 25 bathers in a hotel—

An hon. member: Is this a question or a speech?

Mr. Kennedy: —but with an apartment, under any conditions they need a lifeguard.

So with that background, my question is, would the minister review these regulations because I feel they are more stringent than warranted with regard to apartments?

Hon. A. B. R. Lawrence: Mr. Speaker, in reply to the hon. member's question, I have had a number of meetings with organizations representing tenants and apartment owners during the last month. There are two fields that I have been concerned with. One is to try and see whether or not we can have consistency across the province in the application of the regulations, and that programme is going forward.

Mr. Sargent: But they are not working—the regulations are not working.

Hon. A. B. R. Lawrence: The other thing is that I am reviewing—in reply to the hon. member's question—several points, one of them being this question of supervision. I think the principle of supervision must be maintained, but I am not at all sure but that the regulations do not accent a little too much swimming skills as against the sense of responsibility generally required from the supervising person. And in that field I think that we should be flexible and it is, as I said, under review.

Mr. J. R. Smith (Hamilton Mountain): A supplementary.

Mr. Speaker: Does the member for Hamilton Mountain have a supplementary?

Mr. J. R. Smith: Did the minister investigate a complaint in Hamilton that the Wentworth regional health board closed down a pool in our city this week, one of the reasons being the lifeguard did not have a certain Red Cross lifesaving badge nor did the pool have a telephone or a safety kit?

Hon. A. B. R. Lawrence: Well, I obviously cannot be a party to the breach of the regulations themselves. I do not think I can go any further than I did before. I will consider that question as an example of the kind of need for review, and that is being undertaken.

Mr. Speaker: Further supplementaries? If not, the Minister of Trade and Development might complete the answers to questions he has.

Mr. Peacock: Why does he not resign?

Hon. Mr. Grossman: I will tell the member what, I will think about that.

Mr. Randall: Next time let the member keep the hole on the side of his head open!

Mr. Speaker: Order, order!

Interjections by hon. members.

Mr. Sargent: The member is better in the back row, I tell him, better than here.

The Premier did not think so.

Mr. Speaker: If the minister is prepared to give his answers he will do so. Otherwise, we will pass on.

Hon. Mr. Grossman: Mr. Speaker, on June 7 the hon. member for Hamilton East (Mr. Gisborn) asked if we would relax the age limit for the handicapped being accepted in senior citizens' apartments.

Mr. Burr (Sandwich-Riverside): We cannot hear the minister.

Mr. Peacock: Speak up!

Hon. Mr. Grossman: I have never been accused of being too quiet before.

RELAXATION OF AGE LIMIT FOR SENIOR CITIZENS' APARTMENTS

The hon. member for Hamilton East asked on June 7 if we would relax the age limit for the handicapped being accepted in senior citizens' apartments. The hon. member for Hamilton West (Mrs. Pritchard) also discussed this matter with me.

I should advise the House that applications for senior citizens' accommodations are normally limited, of course, to persons 60 years and over. Handicapped persons who are able to attend to their personal needs are eligible for both family and senior citizen's accommodation. We have housed handicapped persons under age 60 in senior citizens' accommodation on the basis of special needs, and OHC will continue to make such exemptions based on the individual merits of the case.

MAILING OF OHC QUESTIONNAIRES

On June 7 the hon. member for Windsor West asked:

Why does the Ontario Housing Corporation persist in using the outmoded "mail-out" of questionnaires to determine the extent of need and demand for family housing in this province as reflected in the announcement last week?

Mr. Speaker, in the process of determining housing need and demand for public housing throughout various communities in Ontario, the mailed questionnaires are but one aspect of the total survey technique used by the Ontario Housing Corporation. The mailed questionnaire, and the attendant free publicity about the survey, enables housing analysts to determine the number of potential public housing tenants as well as their specific requirements.

In response to the questionnaires, personal interviews of some or all of the respondents are undertaken to more clearly determine effective demand. This approach, along with the assessment of any other available data, has proved very satisfactory and acceptable.

Mr. Speaker, on June 4, the hon. Leader of the Opposition (Mr. Nixon) asked—

Mr. Peacock: A supplementary question, Mr. Speaker.

Mr. Speaker: Yes, the member is entitled to a supplementary question.

Mr. Peacock: Mr. Speaker, would the minister not agree that the results of the use of questionnaires and applications to measure demand work out to be the construction and development for about 50 per cent of the actual number of families and senior citizens on the waiting list?

Hon. Mr. Grossman: I cannot agree with that, Mr. Speaker, because I do not have any evidence to that effect. As a matter of fact, I was given one in the town of Collingwood which gives all of this information and requests information from the people who are interested. If the member has any evidence that the system we are employing is not doing the job that it is intended to do, we would be very pleased to discuss it with him and if he has any ideas on the subject, I would be very glad to hear them.

Mr. Peacock: Three years of it.

MOBILE HOME DEVELOPMENT TO REPLACE PUBLIC HOUSING

Hon. Mr. Grossman: The Leader of the Opposition, on June 4, Mr. Speaker, asked if my department had any policy, either directly or in conjunction with The Department of Municipal Affairs, to foster the development of mobile homes in this province.

As members are aware, the number of mobile homes has been increasing from the development of the older type mobile trailers to units capable of being transported to a more or less permanent site. With this development, the standards of these units, particularly those known as double-wides of up to 12 feet each and of various lengths, have been improved to the point where they are approaching the housing standards of the national building code. Indeed the Ontario Development Corporation has assisted

plant production such as Pyramid Homes in Cobourg, Ontario, this year.

Whose riding is that?

Mr. Sargent: But not Owen Sound, eh. The minister turned down Owen Sound.

Hon. Mr. Grossman: This year, Ontario mobile home manufacturers advise us they expect to produce 3,700 units. Various mobile home operators have discussed—

Hon. W. D. McKeough (Treasurer): They do not want to hurt the hotel business there.

Mr. Sargent: Pardon?

Hon. Mr. McKeough: They do not want to hurt the hotel business in Owen Sound.

Mr. Sargent: These are homes I am talking about.

Hon. Mr. McKeough: I know, but we want to keep the hotels open.

Mr. Nixon: The minister does not know what he is talking about.

Mr. Sargent: The minister did not know last night what he was talking about.

Mr. Speaker: Order!

Hon. Mr. Grossman: Various mobile home operators have discussed—I thought the member was interested in this.

Hon. Mr. McKeough: The member is interested in anything the minister does.

Hon. Mr. Grossman: Why does the member not write an article for the Canadian Forum?

An hon. member: Maybe the member did.

Mr. Sargent: The minister turned it down last Tuesday.

Hon. Mr. Grossman: Mr. Speaker, various mobile home operators have discussed development programmes with Ontario Housing Corporation and The Department of Municipal Affairs. They have been encouraged to pursue their plans and advise that emphasis must be directed to the assembly of mobile home subdivisions that would provide the normal municipal facilities and amenities to owners of houses built on site.

My colleague, the Minister of Municipal Affairs (Mr. Bales) asked his community planning branch to undertake a study to determine the feasibility, as well as the problems in mobile home development. As

the hon. members are aware, except for a few locations, this type of development has not yet received wide acceptability.

At the same time, the Ontario Housing advisory committee is reviewing the subject in all its aspects with the prospect of making appropriate recommendations to me. At that time, of course, they will have enough information, Mr. Speaker, hopefully, to come to a definite decision on what the policy should be in respect of this matter.

Mr. Nixon: Mr. Speaker, a supplementary: Is the minister aware that one of the newest and one of the best, I would submit, producers of mobile homes was recently established in Perth county, in the city of Stratford, without a nickel of assistance from his department or his ancillary agency?

Hon. Mr. Grossman: I was not aware of that, but I do not know that that matters.

Mr. Speaker: Supplementary? No?

The Minister of University Affairs has the answer to a question asked by the member for Peterborough.

EDUCATIONAL COURSES AT CAATS

Hon. J. White (Minister of University Affairs): Mr. Speaker, I have made inquiries in response to a question raised Monday by the member for Peterborough (Mr. Pitman) concerning courses in education being offered by Wayne State University.

I understand a group of teachers in the Sarnia and Windsor areas are interested in taking extension courses in education offered by Wayne State University and that they may rent classroom space for the purpose from Lambton and St. Clair Colleges of Applied Arts and Technology. The courses have no connection with our colleges and we have no official information on the content of the courses, or the kind of credits that may be offered by the Wayne State University Department of Extension.

The teachers propose to improve their qualifications, but there is no way they can do this during the regular school year at the present time unless they reside close to OISE or the University of Ottawa.

On April 21 of this year I drew the situation to the attention of Dr. R. W. D. Jackson, director of OISE, and requested he consider the possibility of setting up extension courses beginning this fall in conjunction with

Althouse College in London and McArthur College in Kingston.

It was decided that both Queen's University and the University of Western Ontario should be allowed to give individual courses at the Master's level in 1971-1972 on the understanding that this will not establish a precedent which might prejudice decisions on the development of graduate programmes in education arising from a study of this discipline to be carried out by the advisory committee on academic planning.

I hope that the decision to offer graduate extension courses will alleviate difficulties in the coming year without preventing rational assessment of our total needs for programmes of this nature.

Mr. W. G. Pitman (Peterborough): I wonder if I could ask a supplementary? Could the minister indicate whether these credits from Wayne University are going to be acceptable to The Department of Education? Perhaps I am asking if the teachers involved realize that these credits may not be acceptable to The Department of Education?

Hon. Mr. White: I have no idea.

Mr. Pitman: By way of further supplementary, I wonder if I could ask whether the minister has considered the possibility of providing these kinds of courses as a function of the regional offices of the Ontario Institute for Studies in Education which are, as the minister knows, in several areas now rather than just at Althouse and McArthur colleges?

Hon. Mr. White: I think that might very well flow from the rationalization studies being carried out now. As the member knows, we have an embargo of sorts on new graduate programmes until such time as each discipline is studied. The purpose, quite obviously, is to avoid expensive duplication, to improve the quality of programmes offered, to close the gaps that may exist and so on.

This would appear to be a reasonably satisfactory short-term solution, and it may be, as the hon. member now suggests, that in the longer term regional facilities might be utilized.

Mr. Pitman: As a further supplementary, I wonder if the minister is quite aware of the implications of the Americanization of the teaching profession that is involved in this precedent—

Mr. Speaker: What is the question?

Mr. Pitman: The question, Mr. Speaker, is would the minister look very carefully at what the credits are and how they relate to the credits being asked for by The Department of Education? This relates to my first question.

Mr. Haggerty: The member for Welland South?

WATER QUALITY CHECKS IN LAKE ERIE

Mr. R. Haggerty (Welland South): Mr. Speaker, a question of the Minister of Health.

What extra precautions are his department taking to monitor the quality of raw water in the wake of a failure in the Cleveland water treatment plant that has resulted in 120 million gallons of raw sewage being dumped into Lake Erie since June 24?

Hon. A. B. R. Lawrence: I do not know the answer to that, Mr. Speaker, but I will perhaps reply directly to the member as soon as I can find out.

Mr. Speaker: The hon. member for York South.

FOLLOW-ON OF POLLUTION PROSECUTIONS

Mr. MacDonald: A question of the Minister of Energy and Resources Management.

May I ask the minister where we go from here now that Canadian Gypsum has been charged, arraigned in court, convicted and fined \$1,000, which is antamount to continuing the pollution which they have engaged in for 30 years?

Hon. Mr. Kerr: Mr. Speaker, as is usual in cases like this, the company will be served with an order under our Air Pollution Control Act requiring it to do certain things within a specified period of time to minimize the emissions that were the cause of the conviction, and I would suggest that this possibly was also part of the court's order.

Mr. MacDonald: Mr. Speaker, since this is precisely what has already been done—the ministerial order gave certain instructions to the company and they did not live up to them, as they have not lived up to and not expressed good faith in attempting to control their pollution over the last 30 years—why

does the minister expect that another set of orders is going to solve the problem of stopping the pollution?

Hon. Mr. Kerr: Mr. Speaker, as the hon. member knows, the company has been making some attempt to minimize the problem there.

Mr. MacDonald: Inadequate, by the minister's own conclusion.

Hon. Mr. Kerr: It has installed very highly technical equipment, and it just is not as efficient as we had hoped and the company had hoped. This is the first conviction for this company, and as the hon. member knows if it is brought to court again and convicted a second time—

Mr. MacDonald: It will be in August!

Hon. Mr. Kerr: —the fine will be substantially more. I do not know how many fines of \$1,000 or \$5,000 any company can pay.

Mr. MacDonald: It is a strange procedure.

Mr. Speaker: The member for Grey-Bruce.

Mr. MacDonald: They have been playing games with everybody including the minister for a long time.

Mr. Speaker: Order, order! The member for Grey-Bruce.

ODC GRANTS

Mr. Sargent: A question of the—perhaps it should go to the Minister of Trade and Development—I will ask the Premier, he may know the answer: Forgetting about politics, this article in this morning's Globe and Mail deals with the \$40 million disbursed by this minister with 80 per cent of it, or \$32 million, going to nine ministerial ridings. Is the Prime Minister as a citizen not concerned about the fact that this money, all of it going in forgivable loans to American head offices in the United States, is non-taxable? They take the money to the United States and it is non-taxable. Is the Prime Minister not concerned about this tax?

Hon. Mr. Winkler: How much in the hon. member's riding?

Mr. Sargent: Not one cent!

Hon. Mr. Winkler: Oh, what a lie!

Hon. Mr. Davis: Mr. Speaker, I would be concerned if it were fact but in that it is not the fact I am not concerned.

Mr. Sargent: I am sorry I did not—the Premier has not got the blower on yet. I did not hear the Prime Minister's answer.

Hon. Mr. Davis: Mr. Speaker, I said to the hon. member that if this were in fact the case I would be concerned, but in that it is not the fact, I am not concerned.

Mr. Sargent: Mr. Speaker, a supplementary: This article is a very damning article, that 80 per cent of this money—

Mr. Speaker: What is the supplementary?

Mr. Sargent: The supplementary factor is this—

Interjections by hon. members.

Hon. Mr. McKeough: It is Liberal propaganda.

Mr. Sargent: —it is a fact that these are forgivable loans. The money goes to American head offices and is non-taxable. My money is going back to the United States.

Mr. Speaker: The hon. member has already asked that question.

Hon. Mr. Davis: The member's money is not going anywhere.

Mr. Sargent: He says he is not concerned.

Mr. Speaker: The Prime Minister did not say that. The member for Windsor West.

Hon. Mr. Davis: The hon. member's money is staying in Ontario and he knows it.

Mr. Peacock: I have a question—

Mr. Speaker: Order! The member for Windsor West has the floor.

Hon. Mr. McKeough: It is Liberal propaganda.

Mr. Sargent: It is not staying here.

Hon. Mr. Davis: It is!

INDUSTRIAL WASTE DISPOSAL DURING STRIKE IN WINDSOR

Mr. Peacock: I have a question of the Minister of Energy and Resources Management, Mr. Speaker. Has the minister received a request for approval of the use of a new—

Interjections by hon. members.

Mr. Peacock: —landfill site outside the boundary of the city of Windsor to receive industrial waste during the strike of employees of the city of Windsor; an application for a new landfill site outside the boundaries of the city to receive industrial waste during the strike?

Hon. Mr. Kerr: No, Mr. Speaker, I do not hold any specific requests for establishment of a site because of a strike.

Mr. Peacock: A supplementary, Mr. Speaker: Has the minister made any representations to the city administration to continue the operations of the city's own landfill site during the strike, using the regular employees?

Hon. Mr. Kerr: Yes, Mr. Speaker, I have had a telegram from the union representative in Windsor advising me of negotiations that were carried on with the city to operate during this period, and particularly in respect to the sewage treatment plant there.

As a result of that telegram, which I just saw this morning, I have a call in to the mayor or to the city administrator to get the full details and to find out just what can be accommodated so that all waste is properly treated during this period.

Mr. Peacock: As a supplementary question, Mr. Speaker, would the minister inquire of the mayor or the city of Windsor why the offer to continue essential services was not accepted by the city?

Hon. Mr. Kerr: Mr. Speaker, apparently—and this is in the telegram—the union did not agree to any type of garbage pickup and this is what sort of scuttled the negotiations. This is what I will find out.

Mr. Speaker: The member for Parkdale.

COMMITTEE ON APPOINTMENTS OF HOSPITAL MEDICAL STAFF

Mr. Trotter: Mr. Speaker, I have a question of the Minister of Health arising out of his statement this morning. Does he regard the terms of reference given to the committee that is inquiring into the appointment of medical staff in the hospitals of Ontario as covering the right to inquire into the use of hospital doctors' associations, whereby they receive the full payment for patients who are receiving emergency treatment?

Hon. A. B. R. Lawrence: I would not think so.

I am not quite sure of the import of the question. Is the member referring to the situation where a doctor charges his fee in relation to services which are rendered by interns and others at the emergency level?

Mr. Trotter: Right.

Hon. A. B. R. Lawrence: No, I think that would be another matter and would really relate to the legislation that I introduced earlier this week or last week with regard to OHSIP operations.

The statement I made this morning, and the terms of reference there, I hope will deal more with hospital governments and hospital policies vis-à-vis doctors and the teaching responsibilities and not look into a matter which I think more properly is a question of professional discipline.

Mr. Speaker: The oral question period has now expired.

Petitions.

Presenting reports.

Hon. A. F. Lawrence: Mr. Speaker, I beg leave to present to the House the annual report of the Ontario Police Commission for 1970, and arrangements are being made at this moment to make sure that the members receive a copy.

Mr. Speaker: Presenting reports.

Mr. Hamilton from the standing natural and physical resources committee reported the following resolution:

RESOLVED:

that supply in the following amounts and to defray the expenses of The Department of Highways be granted to Her Majesty for the fiscal year ending March 31, 1972:

Department of Highways

Departmental administration	
programme	\$14,558,000
Road maintenance programme	161,731,000
Road construction programme	360,000,000
GO Transit programme	5,067,000
Ontario seasonal employment	
programme	1,300,000

Mr. Sargent: Five million dollars for GO Transit?

Mr. Speaker: Motions.

Introduction of bills.

DEPARTMENT OF ENERGY AND RESOURCES MANAGEMENT ACT

Hon. Mr. Kerr moves first reading of bill intituled, An Act to amend The Department of Energy and Resources Management Act.

Motion agreed to; first reading of the bill.

Hon. Mr. Kerr: Mr. Speaker, a full statement will be made on this bill and the second bill I am about to introduce after I introduce the second bill.

ENVIRONMENTAL PROTECTION ACT

Hon. Mr. Kerr moves first reading of bill intituled, An Act to Protect the Natural Environment.

Motion agreed to; first reading of the bill.

Mr. Nixon: Landmark legislation!

Hon. Mr. Davis: Mr. Speaker, the two bills that have just been introduced constitute an environmental bill of rights for the people of our province. They assure our people, including our children, a high standard of air, soil and water quality—

Mr. Sargent: Why does the minister not make the statement instead of the Prime Minister?

Hon. Mr. Davis: —and that we shall have within our province the legislative authority to prevent abuse of our natural environment.

Together, these bills create The Department of the Environment—

Mr. Sargent: They are funnelling stuff through the House now, are they not? They need all the image they can get.

Hon. Mr. Davis: —and bring under its jurisdiction those programmes already existing within government departments related to environmental conservation, management and protection.

The Environmental Protection Act also incorporates many new features that greatly increase our capacity to deal with new threats to our well-being. In the words of the Environmental Act, this new bill “provides for the protection and conservation of the natural environment.” This bill gives the government power to control or prohibit the discharge into the water, the soil or the air of this province any contaminant that will endanger human life, the health of people, the well-being of wildlife or the environment or damage property.

In addition to existing programmes dealing with the three basic forms of pollution, this bill includes provision for new programmes dealing with noise, heat, radioactivity and litter.

Members of the House will be interested to know that the provisions of this bill are binding upon the Crown. We mean business, Mr. Speaker, in this field. It is our aim and intention to clean up—

Mr. Nixon: Purely political!

Hon. Mr. Davis: That is right.

Interjections by hon. members.

Mr. R. F. Ruston (Essex-Kent): Never before!

Mr. Singer: It is \$25 million. “We mean business!”

Hon. Mr. Davis: I know it upsets members opposite that they do not lead. But this is one of their problems. That is right.

Well, listen, if the member for Downsview is saying that if he had had the capacity to make the decision that relates to Dow Chemical he would not have initiated it, let him say so. Let him say so!

Mr. Singer: What a phony that one was. That is terrible.

Hon. Mr. Davis: Let him say, on behalf of the Liberal Party, that they have no direction. Let him say that the policy of the Liberal Party, if elected, is that they will build Spadina.

Mr. Singer: He does not do it well at all. The Premier just does not understand.

Hon. Mr. Davis: Let him say there is no interest in his party in matters of the environment.

Where did I leave off?

Mr. Singer: The Premier has caught up with the political soothsayers, and he does not do them well at all. Too bad!

Hon. A. F. Lawrence: The member is against a better environment?

Mr. Lewis: Does the Premier really think of exempting the Crown from the provisions of this bill?

Hon. Mr. Davis: No, of course not. But you know, perceptive as the member for Scarborough West is, he does miss things. I

thought I would point it out to him so it would be abundantly clear, abundantly clear.

Are members ready? All right.

Mr. Singer: They probably did not even have to pay the \$35 charge for issuing rates to the government.

Hon. Mr. Davis: Maybe not; this would be a saving to the taxpayer.

Mr. Speaker, I was interrupted. I apologize for getting off course.

Mr. Singer: Shame!

Hon. Mr. Davis: The Environmental Protection Act, Mr. Speaker, is a comprehensive document containing elements of The Air Pollution Control Act of 1967, The Ontario Water Resources Commission Act, The Waste Management Act of 1970, The Pesticides Act of 1967 and The Public Health Act.

Because the bill provides legislative authority to the government to deal with environmental threats, it also contains provision for the establishment of a Pollution Control Appeal Board. In addition, it creates an Environmental Council to advise the Minister of the Environment on the results of modern research and technological developments, as well as expert views and advice from outside the civil service on current concerns about environmental management.

The bill gives sweeping powers to the minister and the department to deal with environmental problems, including the setting of standards, investigating problems of pollution, waste management, waste disposal, litter management and litter disposal and the controlling of activities which are creating pollution.

The department is also empowered to enter into an agreement—

Mr. Singer: If it was good enough for Robarts, it is good enough for the next 10 years.

Hon. Mr. Davis: Well we will be here for the next 10 years, yes. And the member for Downsview is helping us every day of the week—it is tremendous.

Mr. Nixon: The Premier is not prepared to let the people decide that.

Mr. C. G. Pilkey (Oshawa): Ross Thatcher said the very same thing—

Hon. Mr. Davis: That is right.

Mr. Pilkey: —in the last speech he made in the Legislature.

Hon. Mr. Davis: Well this is not my last speech to the Legislature, I assure the member of that.

Mr. Pilkey: Oh I see. It was his last.

Hon. Mr. Davis: This bill gives sweeping powers to the minister and his department to deal with environmental problems. The department is also empowered, Mr. Speaker, to enter into an agreement with other governments for the protection or conservation of the natural environment.

This bill also makes uniform the penalties under the various sections. These will range from \$500 for summary conviction in connection with excessive pollution of the air by internal combustion engines to a maximum of \$10,000 per day for conviction for failure to comply with the general pollution provisions of the Act.

Because the section dealing with litter is new, perhaps I could tell the hon. members that we intend to act very decisively in this area of litter control.

Mr. Singer: One thing, the Premier is very decisive.

Hon. Mr. Davis: This bill includes powers to deal with packaging and containers which can be reprocessed, reused or which are degradable. Provision is made for regulations to deal with non-returnable beverage containers, including both non-returnable bottles and cans.

I would also point out that under this bill, the control of herbicides and pesticides is moved from The Department of Health to the Environmental Protection Act. Provision is also made for private sewage disposal systems and operators to be licenced under the new Act. It is anticipated that this programme will be phased in over the next few months in consultation with the medical officers of health and industry across the province.

I want to emphasize, Mr. Speaker, that the new legislation is not intended to make it more difficult for the agricultural community to deal with such problems as the disposal of animal wastes or the proper use of herbicides and pesticides. The farmer who follows sound agricultural methods will not find himself in conflict with the provisions of this Act.

For the convenience of those who must operate under this bill, the legislation has been drafted into easily followed chapters, dealing with such subjects as motors and motor vehicles, water, waste management, herbicides and pesticides, private sewage disposal systems, litter, methods of approval, licences, orders, permits, the appeal board, the environmental council and regulatory powers.

Mr. Peacock: And all the exemptions.

Hon. Mr. Davis: Mr. Speaker, I commend the provisions of this bill to all members of the House. It is sound and progressive legislation in tune with modern concern for the betterment of the world in which we live. It is designed to meet the needs of today as well as tomorrow. It provides the flexibility and the authority to deal effectively with any challenges to our natural environment of which at this moment we may not be fully aware. It is impossible, Mr. Speaker, to foresee future scientific and technological developments in these areas, but this bill is designed to anticipate them and deal with them so far as this is humanly possible.

Mr. Singer: The statement did not even impress the government members.

Hon. Mr. Grossman: No applause from the other side?

CONSERVATION AUTHORITIES ACT, 1968

Hon. Mr. Kerr moves first reading of bill intituled, An Act to amend The Conservation Authorities Act, 1968.

Motion agreed to; first reading of the bill.

Mr. Lewis: Not as important, is it?

Hon. Mr. Kerr: It is not the same thing.

Mr. Lewis: Just the Minister of Education (Mr. Welch) needed in this case. We know where that bill ranks. We know how high that is on the list of priorities.

Mr. Randall: It deals with verbal pollution from the opposition, too.

Mr. Speaker: Order!

Mr. Lewis: We would like the Minister of Education to make a statement first.

Mr. Singer: Tell us about the future of the world again.

Mr. Lewis: Talk to us about people, people of the environment.

Hon. Mr. Davis: Too bad the member for Downsview is not interested in it; very disappointing. The member for Scarborough East is.

Hon. Mr. Kerr: Mr. Speaker, this bill provides basically housekeeping amendments. The Act brings The Conservation Authorities Act, as it exists now, up to date.

Provision is made to adjust the boundaries of the Metropolitan Toronto and Region Conservation Authority so that it may properly assume its responsibilities in connection with waterfront development. The same adjustments are being made for the Hamilton and Region Conservation Authority so it can develop and conserve its own waterfront. The power to expropriate the whole of a lot or parcel and to sell any part thereof is repealed and section 29 is updated to refer to the present Expropriation Act, The Expropriation Procedures Act 1968-1969.

Mr. Peacock: Imagine the Prime Minister reading that.

Mr. J. R. Breithaupt (Kitchener): Not quite as sweeping as the last one.

Mr. Lewis: Before the orders of the day, if I may, Mr. Speaker, on a point of order about the business of the House with the Premier here, there are a number of rumours and corridor speculations about the intended time of adjournment of the Legislature; I ask purely, I assure the Premier, for information. Are we headed for an adjournment of July 9, as has been suggested, or does the government intend to extend the sitting to encompass all legislation and all estimates presently before us?

Hon. Mr. Davis: Mr. Speaker, it is the expectation that we will complete all the estimates and that we will complete the bulk of the legislation that has been presented. There will be a few other bills to be presented next week. I would think they are not of a nature to prolong the discussions. So, as to whether or not we can complete these properly by July 9 I cannot say at this moment, but certainly we will be dealing with those items that are here.

Mr. Speaker: Orders of the day.

Clerk of the House: The 32nd order; concurrence in supply for The Department of Social and Family Services.

Mr. Lewis: I understand—

Hon. Mr. McKeough: We will finish the people's business!

Mr. G. Ben (Humber): Then we will finish them.

Mr. Peacock: Did the hon. Prime Minister read the wrong order? He read the wrong order.

Hon. Mr. Davis: I cannot read so well this morning.

Mr. Peacock: He should have been here yesterday at 6 o'clock.

Hon. Mr. Davis: Oh I heard about it!

Clerk of the House: The 36th order; House in committee of supply, Mr. A. E. Reuter in the chair.

ESTIMATES, DEPARTMENT OF CIVIL SERVICE (concluded)

On vote 201:

Mr. Chairman: On the estimates of The Department of Civil Service, the hon. member for Windsor-Walkerville.

Mr. B. Newman (Windsor-Walkerville): Thank you very much, Mr. Chairman.

Once again I have the opportunity of acting as critic for the Liberal Party in the estimates of The Department of Civil Service. Once again, as in previous years, I shall be as brief as possible, even though criticism this year of the government's attitudes toward members of the civil service is more warranted than ever before.

First came the government's introduction of Bill 217, An Act to provide for collective bargaining for Crown employees, introduced on November 2, 1970. The explanatory note with the bill stated:

This bill is to formalize collective bargaining procedures in the government service under the authority of a tribunal having power to decide matters concerning representation of employees by bargaining agents and protection of employees against unfair labour practices. The bill provides procedures for the resolution of grievances arising out of the application or interpretation of collective agreements as well as the settlement of the bargaining disputes.

The hon. minister is fully aware of the strongest opposition raised to Bill 217 by the Civil

Service Association of Ontario who, in their newsletter of November, 1970, called this legislation "insulting, regressive, verbose, confusing, foolish and terrifying."

Mr. D. A. Paterson (Essex South): They are right on all accounts too.

Mr. B. Newman: For the sake of time, Mr. Chairman, I will not go into any presentation of their views, as the former Treasurer, now Minister of Transportation and Communications (Mr. MacNaughton), as well as all members of the cabinet, I would say, were deluged with letters and briefs opposing this Bill 217.

On November 11, 1970, the Faculty Association of Durham College of Applied Arts and Technology, expressed its disapproval of certain sections of the legislation.

On March 31, 1971, Mr. J. V. Brown, president of the Faculty Association of the University of Windsor, plus many others, registered very strong opposition to parts of this legislation.

The government, Mr. Chairman, was wise enough not to reintroduce this bill this year. Let us hope we never again see such legislation.

The second, Mr. Chairman, was the hon. Treasurer's attempt, in the budget address of April 26, to place a five per cent ceiling on civil servants' wage or salary increases.

I am sure that others, just as I, have received representation from various Civil Service Association of Ontario locals objecting most vigorously to such a proposal. Mr. Albert S. Attwood, the president of the Windsor branch of the CSAO, wrote me on April 28, 1971, just two days after the minister's speech, asking for a reversal of this ceiling injustice.

Miss Jennie Kuzyk, president of another Windsor local, strongly objected to limits of any kind on the free collective bargaining process.

The CSAO, in their special budget issue, headlined: "The CSAO will not tolerate government's attempts to destroy employees' bargaining rights." On this topic alone, Mr. Chairman, just as on Bill 217, I could read pages into Hansard of the government's show of bad faith; of the government's attempt to use the civil service as a pawn in the inflation fight; of the government's lack of recognition that a five per cent salary or wage raise would be only one per cent less than the 1970 rise in the cost of living, and that the five per cent raise would still be 4.6

per cent behind the average union settlement in Ontario, exclusive of the construction industry.

Mr. Chairman, it took the real concerted action of the CSAO to obtain from the government the undertaking that:

1. The government will not interfere, and will implement an arbitration board award;
2. The government will not place any hindrance on the free collective bargaining process, and—
3. There will be no five per cent pay increase limit.

Mr. Chairman, such attitudes and actions on the part of this government, as expressed in Bill 217, and the attempt of the Treasurer to impose a five per cent wage limit do little to promote a most harmonious and co-operative attitude with the civil servants.

Let us have no more of this, Mr. Minister. In fact, any attempt, Mr. Chairman, to hold back the civil servants to a five per cent salary or wage increase, certainly is opposite and diametrically opposed to the average salary increases over the last three years. For the calendar year 1967—according to the Civil Service Commission of Ontario's 1970 annual report, the percentage salary increase was 8.9 per cent; in 1968 it was 7.2 per cent; in 1969 it was 9.8 per cent. In 1970 it was 11 per cent, and it was the government's intention at this time to cut that 11 per cent down to five per cent. A six per cent decrease in the one calendar year.

Mr. Chairman, I could make a comment on the Little report and its effect concerning the right of the Civil Service Association to strike. However, in his remarks the minister made mention yesterday that this should have been discussed in a previous vote and, if I am not mistaken, in the Treasury Board. Is that it? As a result I will not make any further mention of the Little report.

However, Mr. Chairman, I would be remiss if at this time I did not commend the civil servants for their attitude, acceptance and exceptionally well-done job in providing funds to the United Appeal campaigns, not only in the city of Toronto, but also throughout the Province of Ontario. The civil servants certainly did produce and did give more than their fair share when it came to the United Appeal.

Just as in previous years, Mr. Chairman, I think there is a need for a new look in the method of calculating pensions for all types of employees. As it is today, they are gener-

ally based on the best five or the best six years prior to an employee's retirement. I think we should be looking on the concept of basing pensions on the going or prevailing salary.

It should be some percentage of the prevailing salary, so that when an employee retires his salary would be upgraded annually according to what he would have been receiving were he employed at the present and given period, rather than need continuous indexing and upgrading of from two per cent to three per cent. If pensions were based on prevailing wages or prevailing salaries and if they were based as if the individual were retiring in the present year then there would never be any need for an indexing.

I would also like to make mention at this time that the government should have come out with some little firmer policy on the holiday. Because Canada's national holiday falls on a Thursday and Friday is the last day of the week, employees are having to come back to work for the one day. Certainly there should have been some policy where the holiday could have been extended so that employees would have had a longer weekend and have both Thursday and Friday off.

Some type of accommodation could have been made with the Civil Service Association so that they could have enjoyed exactly the same type of weekend that we in this House are going to enjoy this weekend.

Mr. Chairman, I am pleased, when I look over the report of the department, to note that finally the government is setting up a central office for summer employment. But I do think, Mr. Chairman, and to the minister through you, that all applications, regardless of what department the employee is applying for, should be funnelled through one central office, because it is extremely difficult for a student who is completely unfamiliar with government procedures to know just exactly where he or she has to apply for some type of employment.

Quite often the student in applying for employment does not know for what to apply, but simply wants summer employment. He has certain academic or skill qualifications and is interested in obtaining funds to enable himself or herself to return to school after the summer vacation, and to apply to 22 different offices of government is not right. The simple procedure is to apply to one office and then the application from there could be reviewed by some board,

and funnelled into the proper department for which the applicant would have the best qualifications.

Likewise, the Civil Service Association should have a list of summer employment requirements from all departments and the numbers should be made readily available to the public so students throughout the length and breadth of the Province of Ontario would know that there are a certain number of vacancies for summer employment and that they could apply accordingly.

Mr. Speaker, one of the things that does disturb me, as I look over the report, is that the government continues to promote poverty. I have noticed on page 18 of the report that of new appointees, 46.4 per cent of the people who were hired in 1970, received under \$5,000. That is under \$100 a week. That is promoting poverty. It is most difficult today for an individual or individuals—and a lot of these people who do apply for the first time are people with a family—how an individual is going to live in today's economy, earning less than \$100 a week, is almost beyond me.

Hon. W. D. McKeough (Treasurer): What percentage did the member give?

Mr. B. Newman: It was 46.4. These figures are obtained on page 18 by salary intervals—the second column, under \$4,000, 11.8 per cent of the appointments for the year 1970; 11.8 per cent earned under \$4,000. Between \$4,000 and \$4,500 were 15.4 per cent and between \$4,500 and \$4,999 or \$5,000, 19.2 per cent; a total of 46.4 per cent appointed, earning less than \$5,000 a year, which is practically poverty today, Mr. Chairman.

Another thing that does disturb me likewise is that one out of six of the employees in the civil service today still earns less than \$5,000—one out of six—16.3 per cent, as indicated in the second set of figures on page 19 of the report. Under \$4,000 is 1.1 per cent of the employees; under \$4,500 is 3.1 per cent, and under \$4,999 is 12.1 per cent, a total of 16.3 per cent. In that, I would have to assume, there would be quite a few married people; 16.3 per cent or one out of six, some 7,633 people, earning less than \$100 a week and some 802 people earning less than \$80 a week or \$2 an hour—only \$2 an hour! When you look at the take-home pay you do not speak too well of the government's attitude toward the average individual.

Mr. Chairman, I could also make mention of the brief presented to the Prime Minister and the members of cabinet by the Ontario division of the Canadian Union of Public Employees.

This was in regard to The Ontario Hospital Labour Disputes Arbitration Act and one of the charts there on page 4 of the report present some really startling figures.

In looking at municipal employees as opposed to hospital employees we find that in 1964—I will use the city of Windsor in this figure—the average municipal employee received \$82.60 whereas the average hospital employee got \$51.73.

By 1969, the municipal employee went up \$51.80 in salary to a total of \$130.40 whereas the average hospital employee went up only \$21.71 to a total of \$73.44. Look at the average for all of the province; the average municipal employee in I think it is the last six-year period—the period 1964 to 1969—the differential between the municipal employee and the hospital employee's base rate. In 1964 the municipal employee was \$24.05 ahead of the hospital employee and in 1969, the municipal employee was \$40.32 ahead of the hospital employee.

It certainly does indicate that the government, in its consideration of Ontario hospital employees, has not kept in tune with the times.

Mr. Speaker, this completes the remarks that I have had as a general comment. As the votes come up we will discuss them in more detail.

Mr. Chairman: The hon. provincial Treasurer.

Hon. Mr. McKeough: Mr. Chairman, if I could just point out a couple of things—and I very much appreciate the remarks of the member for Windsor-Walkerville in acknowledging the very fine support given to the United Appeal, not only in Toronto but right across the province, by the Ontario public services. I am glad that he put that on the record.

I do not particularly think there is anything that I need to comment on at this point which will not come up later on. I would have to say with great respect, that about three-quarters of what has been said has been completely out of order under these estimates, but I am not going to let it worry me.

The member who just sat down was talking about wages in public hospitals, which we have nothing to do with in The Department of Civil Service. Matters pertaining to pensions, which the member mentioned, should be dealt with under the pension branch of The Department of Treasury and Economics where the pensions are paid from. And really, anything related to Bill 217 or related matters, or for that matter the guidelines, should have been dealt with under the staff relations branch of the Treasury Board secretariat.

Having said all that, Mr. Chairman, I am not protesting the discussion which may follow, but I simply point it out.

Mr. Chairman: Vote 201, the hon. member for Hamilton East.

Mr. R. Gisborn (Hamilton East): Mr. Chairman, are we dealing with the three votes at the one time? I thought it might be a good idea if the minister could handle the three at one time rather than—

Mr. Chairman: I think we can certainly deal with each vote in total, rather than dealing item by item.

On vote 201:

Mr. Gisborn: —I wanted to deal a little more at length with the type classification but it is under the next vote. Nevertheless under 201, administration, if the minister will recall when he introduced the civil service estimates last night I made an interjection asking if the minister was going to apologize, and he interjected back, "For what?"

I want to deal just briefly with his statement regarding the five per cent guideline, and I really do think that he owes an apology to two groups. One group is the Civil Service Association and their members, and also to the secretariat of the Treasury Board who are responsible for negotiating their collective agreements.

It was just a political blustering statement that the minister made. Evidence too his trying to back off from that position since that time, which also indicates that. But it has some serious overtones and I am pleased that the bill, An Act to provide for Collective Bargaining for Crown Employees, has been left over, because we likely would not finish it before the end of August if we got into it.

I hope it does have a lot of consideration before that time comes. But if this bill had been in force and the minister had made

such a statement, he would have been in violation of his own Act. I hope he realizes that.

Hon. Mr. McKeough: Right, that is exactly the point that I made.

Mr. Gisborn: Well, the only appeal I want to make is that the minister does apologize and make it clear that from here on in those two groups do their collective bargaining in the sense that is implied in some parts of the Act and certainly is implied in the Little report.

That is the gist of my comments at this point on this vote.

Mr. Chairman: Vote 201 carried?

Vote 201 agreed to.

On vote 202:

Mr. Chairman: Personnel management programme. The hon. member for Humber.

Mr. G. Ben (Humber): Mr. Chairman, last year during the consideration of the estimates of The Department of Justice and Attorney General I drew to the attention of the minister and the members who were in the committee—as that estimate was before the committee last year—the injustice being perpetrated upon the clerks grade 3 who man the counters in the court offices of this province. I pointed out at the time that insofar as the city of Toronto was concerned it was paying its common labourers, caretakers, watchmen, night porters and so on, considerably more than was this government to these G-3 clerks.

The minister pointed out at the time that although he listened with interest and agreed there was an injustice, the matter of classifications was the responsibility of the Civil Service Association and not his; that the matter ought to be taken up with that department. It was pointed out that in 1969 a watchman being employed by the city of Toronto was receiving \$7,141 as were caretakers; the water meter inspectors, \$7,872; a night attendant at the city hall, \$6,556. During the same period, a clerk grade 3 at the courts was being paid \$5,642 and now is starting at \$6,604. That would be as of January, 1971.

What made the whole situation ludicrous was the qualifications required of the different persons whom I have mentioned to enable them to attain that particular rate of

pay. I read to the committee the works illustration of a labourer with the city of Toronto and I will read it again:

Works Illustration.

An employee in this class is required to perform a wide variety of unskilled manual labour as assigned: Assist in installing water services, private drains, pavements, gutters, sidewalks, sewers and so on, maintain store yards and buildings in a clean and tidy condition, assist in the maintenance and improvement of city park lands, buildings and ice rinks; check, load and unload bulk material of all descriptions; assist carpenters, painters, bricklayers.

Qualifications: Good physical condition with sufficient strength to do all this kind of manual labour; able to withstand varying climatic conditions; able to perform any type of assigned task.

Minimal Educational Requirement: Primary school.

For this type of work in 1969 a man was paid \$6,911 for a 40-hour week.

That was in 1969. Since then they have received, I believe, almost a 40 or 50 per cent increase in salary. Almost the same type of work requirements or qualifications apply to a caretaker or city hall clerk.

The minimum education requirement of a caretaker is primary school. It has seven lines for its qualifications. But when it got down to the clerk grade 3 they went on for page after page—I should say for a couple of pages; I do not want to say it went on further than it did.

It is divided into three parts.

The purpose of position—to process the work of the litigation counter in the county court office, county of York.

Activities and responsibilities—use position analysis guide format including time percentage for each key duty.

The following takes up 65 per cent of the clerk's work: Issuing and signing writs of summonses, especially endorsed and generally endorsed; checking form and detail of dates, names, required signatures, and so on to comply with statutory requirements.

In that particular year over 18,000 actions were started in 1969 in the county court.

Accepting pleadings at public counters; for example, appearance, statement of claims, statement of defence, third party

notice and counter claims; examining documents against files to determine correctness of style and cause; sequence of filing in time limits; ensuring additional material such as affidavits, proof of service, consent necessary or attached to conform to rules of practice; referring most complex matters to supervisors or senior clerk for a decision; attending express counter on rotation basis for single filings only when there is pressure or volume; charging and collecting fees according to prescribed tariff; providing receipts; passing for cashier's attention; issuing bank direction for money paid into court; order for security for costs; signing documents in the name of the clerk of the county court which have a legal binding effect, altered only by order of judge, e.g., default judgements, mortgage foreclosures; issue writs of fi. fa.; writs of possession to provide authority to sheriff to carry out judgements assigned or as ordered by judge in court decisions; passing direct court orders setting down actions for trial, ensuring all pleadings are in order in file and comply with procedures concerned, for example—interlocutory judgements, pleadings that are to be closed, expiration of time; attending public counter; giving appointments for hearings in judges' chambers and for motions according to court calendars; providing routine and specific information; referring general public to appropriate authorities or agencies.

This is just part of a job specification, and according to the specification number 02-7398-21, this is supposed to take up 65 per cent of the time.

The following duties take up 25 per cent of the time:

Performing duties in particular areas of county court jurisdiction, which may include acting as commissioner of oaths; swearing and signing affidavits, and statements; taxing bills of cost up to \$75; preparing bills for over this amount for signature of the clerk of the county court or his deputy; checking applications under The Landlord and Tenants Act for required information; giving appointments for judges in chambers; issuing writ of possession, if allowed.

Then it goes on. That takes up 25 per cent of this. There is some more. I will just end up.

County court judges; attending in chambers as required; making appointments with the legal profession; constant contact;

receiving filings; various applications; issuing writs; discussing changes; changing information; general public, answering inquiries; referring.

Then there is this key statement in these specifications:

Work of the court could be delayed by errors in preparation causing individual hardships or prejudice in the interests of the parties involved.

Mr. Chairman, for these responsibilities, they were being paid \$5,600.42. I trust my calculation is correct. It was \$108.50 a week; it went up in 1971 to \$113 to start, and it can attain a maximum of \$127 a week which would be \$6,604.

Even upon attaining the maximum they are still going to be paid more than \$1,000 to \$1,500 less than a common labourer in the city of Toronto or caretaker, or nightwatchman, which at one time was looked upon as the most menial task you could assign a person.

So the question arises, how do you prepare these specifications? What criteria do you go by? The hon. member for Oshawa (Mr. Pilkey) yesterday was speaking about setting an example for the private sector in paying the civil servants. How do you equate this particular job assessment?

If you go down to the county court office you will see that there is not a minute goes by from the time the counter opens at 9.30 until it closes at 4.30 that there are not people at that counter doing their business, and carrying on the administration of justice. How can you justify a pittance like this?

There are G-3 clerks throughout the Province of Ontario who may spend all day long sitting in some Department of Lands and Forests' office in some isolated spot waiting for a telephone to ring. I guess maybe they get the same pay because it is hardship pay for doing nothing. But these people are working every minute of the day that they check in.

I say to you, Mr. Chairman, and through you to the minister, so that he can whisper to the people sitting in front of him, surely there ought to be a revaluation of this particular classification? It should be a special classification for people who are at the legal counters and have all these responsibilities.

I might point out that there are about three or four paragraphs in the job specification. How can you conceivably justify that kind of a situation?

Now the present Minister of Financial and Commercial Affairs (Mr. Wishart) when he was Attorney General was asked whether he thought that they were not being treated properly. He said that he had to agree that they were not. He was asked what he would do. He said he could not do anything about it because it had to be taken up with the civil service. But he said what he would do:

The only thing I can do after they have gone through the procedure presently laid down, if it was brought to my attention that they were still dissatisfied, would be to perhaps go over to Treasury Board and say, "I think these people are underrated, underclassified and underpaid." That is the only place where a minister could exercise any influence on the thing, to have him rerated or to upgrade it.

This is the attitude of the former Attorney General. He felt they were underclassified and were being underpaid.

I ask you, Mr. Minister, through you, Mr. Chairman, what do you propose to do about this matter? Over a year has gone by since we asked that something be done about reclassifying these particular individuals.

Hon. Mr. McKeough: Mr. Chairman, I appreciate the remarks of the member. I think his points are sincerely put, but I am looking at a clerical survey which was done outside the government comparing rates of pay in the Ontario government service with various other similar positions. For example, the rate for a messenger boy, the third quartile—which is perhaps the fairest comparison—was \$90.

Mr. Ben: Messenger boy?

Hon. Mr. McKeough: Yes, \$90. Whereas our figures for a clerk 1, mailroom, would go to a maximum of \$81, so perhaps we were low there. If you look at a clerk, intermediate, on the outside, you will find that the weighted average is \$100, the higher figure is \$110; we are going in 1971, to \$127 as the member has indicated.

We compare favourably, I think, better than the average in this particular survey, and there are other surveys which we take and we obtain from a variety of sources. I have listened with interest to what the member has had to say, and this particular group comes up for negotiation—at least for a new schedule—on January 1, 1972, and the negotiations will go on this fall.

On the basis of the information which we are able to obtain as to comparable positions outside the public service, we will be putting something on the table as to how these people should be paid; the Civil Service Association will be doing exactly the same thing. If the member is right, then presumably they will be receiving a higher rate of pay coming January 1, 1972.

Mr. Ben: Will the minister have his minions examine the rate of pay in the municipal services for telephone operators, mimeograph operators and the like who are receiving more than these people?

Hon. Mr. McKeough: Yes.

Mr. Ben: And instead of equating with a messenger—

Hon. Mr. McKeough: That happened to be the first item in the survey, and in that particular instance, according to the survey, perhaps we are not paying enough. I am just giving examples both ways.

Mr. Ben: I trust that the minister's department will look into it.

Hon. Mr. McKeough: Yes.

Mr. Chairman: Shall vote 202 carry? The hon. member for Hamilton East.

Mr. Gisborn: Yes, Mr. Chairman. I wonder if the minister can tell me what the increase in the staff has been during 1970? I think we were given figures during your estimates last April and we were running about 46,000 or 47,000.

Mr. B. Newman: It is 62,000—page 17, Mr. Minister.

Hon. Mr. McKeough: Yes, page 17 of the report would indicate that there were 57,000 on December 31, 1969, rising to 62,000 on December 31, 1970. Now, those are people on full complement, whereas the figures which are quoted in the budget would include I think unclassified staff as well. They show a rise to 69,000 but there was not that kind of an increase between December and April.

Mr. Gisborn: This figure the minister has just given me is the total complement of the department, not those who are considered in the bargaining unit?

Hon. Mr. McKeough: No, those represented by CSAO amount to about 50,000.

Mr. Gisborn: I see. That is fine. The reason I did not read the report, Mr. Minister, is because we do not know how these departments operate. We have complained time and time again about the lateness of reports. When we dealt with the estimates last April—

Hon. Mr. McKeough: Can I just make a correction? About 50,000 are eligible to be members of the CSAO; about 30,000-odd actually are.

Mr. Gisborn: Yes, I could have read the report, but you see when we dealt with the estimates last year we did not have the 1969 report at all. This year, we get the 1970 report a couple of hours before we get into the estimates and mine disappeared at some time or other after it was put on my desk. Anyway, I can do without it.

What we found last year and what we criticized strongly were the miserable wages that prevail in the minister's department. I expect there have been some increases. Some negotiations have taken place and have been completed, but I would hope that we could get the same kind of information we received during the last set of estimates unless the same thing is in the report. If it is in the report, I will not take up the time in the House. Last April—

An hon. member: Then sit down.

Mr. Gisborn:—we received the information that is in Hansard on page 1939, April 27. It showed us there the classification ranges where there was 0.7 of the employees under \$3,500. There was 1.7 per cent in the range of \$3,500 to \$3,999; 8.1 per cent \$4,000 to \$4,499; 11.4 per cent in the \$4,500 to \$4,999 bracket—that is over 5,500 employees—28.5 per cent in the \$5,000-\$5,999 bracket—about 1,500 employees—15.2 per cent in the \$6,000 to \$6,999 bracket; 24.8 per cent in the \$7,000 to the \$9,999 bracket and only 9.6 per cent, \$10,000 and over.

It was recognized that these rates were, in no sense, relevant to those in the private sector, and we have to use this phrase because we are made to understand that that is the minister's objective and has been his objective to try to relate the classifications in the public service to those in private industries. I wonder if we could have the satisfaction of having an up-to-date rundown on just how these classifications—

Hon. Mr. McKeough: Refer to page 19 of the new report and the member will see

that there has been very much of an improvement. Just to give the last figure. There is now 14.7 per cent over the \$10,000 mark as compared with 9.6 per cent. The other figures are comparable.

Mr. Chairman: Vote 202.

Hon. Mr. McKeough: Page 19.

Mr. B. Newman: Mr. Chairman, I wanted to discuss a bit on research on vote 203, item 2. In checking—

Mr. Pilkey: We are on 202, are we not?

Mr. Chairman: We are on 202. The member for Oshawa.

Mr. C. G. Pilkey (Oshawa): Last night, the minister indicated that there was something like 1,000 to 1,500 people working in the temporary help service of the government. Is that correct? I estimated, as you recall, that there were something like 6,000 people. There is quite a disparity obviously between our figures. Let me ask the minister this question, and I think we can find out exactly how many people are working in this category: Could the minister tell me the total payroll for the temporary help service in the year 1970?

Hon. Mr. McKeough: I will get that figure.

Mr. Pilkey: Let me make this observation, because I did not notice it in this report, but in the 1969 report, the total payroll for temporary help service for 1969 was, rounding the figures out, \$2.5 million. If it was \$2.5 million and there were only 1,000 to 1,500 employees, it means they were getting between \$20,000 and \$25,000 a year, if my mathematics are correct. Surely the minister is not paying them that much. That is how I made the assumption that there were about 6,000 people—I made the observation there seemed to be about \$5,000 apiece. If my mathematics are correct that come to somewhere between \$5,000 and \$6,000 per year, or 5,500 to 6,000 people working in the temporary help service of this government.

Hon. Mr. McKeough: The figure is about 4 million this year, last year—for the year ending March 31, 1971, about 4 million. The average number of persons working per week, 963.

Mr. Pilkey: Okay, maybe my mathematics are all cockeyed, but it seems to me that that is a lot of money.

Hon. Mr. McKeough: Mr. Copland is pointing out your mathematics are wrong. That would be 20 million. I think if you do your mathematics again you would find the average pay was \$2,500, not \$25,000.

Mr. Paterson: He has never made up a payroll before.

Hon. Mr. McKeough: Do your division again and you will find \$2,500, not \$25,000.

Mr. Pilkey: All right. Okay. I will do that now. I want to get to another point here. I will get to that in a second.

Mr. R. F. Ruston (Essex-Kent): Never made one of his own.

Mr. Pilkey: All right. I want to ask another couple of questions, in any event. We will get back to that point in a moment.

Is there any suggestion by the government that they are going to review the probationary period in the civil service? At this point, there is a one-year probationary period before these people are promoted to the regular staff. Is there any contemplation of reviewing that probationary period?

Hon. Mr. McKeough: I listened with a great deal of interest to what the member had to say last night. I do not think that probationary period in the civil service, which covers such a wide variety of jobs, can completely be compared to the private sector.

For example, you were talking about some of the mental health hospitals. To make sure that a person does have the disposition to work in a retarded children's hospital, for example, I do not think a year is too long a time to make very sure that you are getting the right kind of employee.

I would agree if you are talking about a typist. I think an employer should know in much less time. The reason for the year is, basically, because we do cover such a wide variety of jobs.

Of course, it is completely open to the deputy minister, and this happens in many cases—what percentage I do not know. The deputy minister, meeting the supervisor, can recommend him for permanent employee status and becoming a full civil servant long before the year is over and that does in fact happen in a number of cases.

I was interested in the remarks the member made last night and I think by comparison with the private sector, there is no question that the year is a long time and we will take a look at it.

Mr. Pilkey: You know, if a clerk typist, or someone working on the janitorial staff, left in the probationary period—what bothers me with this is that they have no rights to appeal. If they are dismissed and in their view it is not for just cause, what avenue of appeal have they? There is no protection for those employees.

Hon. Mr. McKeough: The other side of the coin of course—where the situation is not comparable—is what might be described as the permanency of the civil service after the one-year probationary period. I doubt whether such permanency can be compared with anything in the private sector. Even General Motors is not quite as secure as the Ontario civil servant's position.

Mr. Pilkey: That is questionable. I do not—

Hon. J. White (Minister of University Affairs): Even the UAW, my hon. friend, found out the hard way.

Mr. Pilkey: I doubt that. It seems to me that because of the human frailties of this government, it just might unjustly dismiss an employee. I happen to think that employees ought to have the right to appeal and it should be well in advance of one year. They should not be living or working under that kind of a cloud; they should have the right to appeal.

The other point I raised last night about these people who are not Canadian citizens or British subjects—I do not know if the minister wants to discuss it under this vote or not—is that they cannot be appointed to the regular staff. Is there any contemplation that the government is going to review that as well? Will these people, forever and a day, remain as probationary employees?

Hon. Mr. McKeough: The problem, of course, is that to become a full civil servant one has to take the oath of allegiance; a non-Canadian could not take the oath of allegiance. What I am told is that in actual fact they are given every other right except being called a civil servant. They have the right to grieve, their pension begins and so on. I do not know whether there is any other way around this or not, but perhaps it is something we should take a look at.

Mr. Pilkey: With great respect, surely the jobs in the Ontario government are not so confidential that they have to take an oath of allegiance to the Queen and that they cannot be employed—

Mr. J. Renwick (Riverdale): It is to the Conservative Party.

Mr. Pilkey: I see these men and women cleaning in the corridors and in the offices. What is so confidential about that job that they have to swear some allegiance to the Queen to become a regular staff employee?

Mr. S. Lewis (Scarborough West): It is what they find in the Tory waste-baskets.

Hon. Mr. McKeough: When one hears from the member for High Park (Mr. Shulman), one wonders.

Mr. J. Renwick: We noticed that the minister used it as a threat at that time.

Mr. Lewis: We will not demand that kind of fealty from the civil service.

Mr. J. Renwick: I wish the member for Oshawa would take the gloves off here and get right down to it. A little fisticuffs is what we need here. It is all too polite, all too friendly.

Hon. Mr. White: They did in Saskatchewan.

Mr. Lewis: Never mind, my friend, seven years later they were all redeemed. This government will be out for 28 years and it will return from the ashes like some—

Hon. Mr. White: They were card-carrying members of the CCF.

Mr. Lewis: —Phoenix infernal.

Mr. Pilkey: Is the minister telling me that the employees who are on the probationary staff have equity with the regular staff in every sense, in wages and so on? Well, okay, we will check that out, because I suspect that probationary employees—

Hon. Mr. McKeough: After one year—

Mr. Pilkey: We will take a look at that. Could the minister tell me, in light of his \$1.6-million programme of increasing the civil servants—that is the ceiling he had placed in that area—why the Prime Minister's office, that is his front office, has had an increase of about 30 per cent in personnel since he has come into office?

In the year previous to that in the Prime Minister's office it was about three per cent, and since the present Prime Minister has come into office it has escalated to a 30 per cent increase in personnel. I would like to know what they would be doing over and

above what was happening during the previous Prime Minister's tenure?

Hon. Mr. McKeough: Well, I would suggest that the member is talking about the complement, and we are very definitely talking about a Treasury Board matter and not the civil service.

Mr. Pilkey: It is under the civil service enrolment, and it comes under this—

Mr. Lewis: It is in the civil service report.

Mr. Pilkey: It is in the minister's report, it is in this report and—

Hon. Mr. McKeough: We are simply reporting where employees are located, but in complete fairness the control of complement does not rest with either The Department of the Civil Service or with the Civil Service Commission.

Mr. Pilkey: But surely then the minister—

Hon. Mr. McKeough: That rests with the Treasury Board.

Mr. Pilkey: But surely then the minister could tell us why the complement was increased even if he has no jurisdiction over the increases and why the increase was necessary? What has come about that is so significant under the new wave that was not prevalent under the Robarts regime?

Mr. Lewis: Martin Goldfarb Consultants, Dalton Camp Associates—it is a very big department now.

Hon. Mr. McKeough: I am not going to attempt to reply for the Prime Minister's office, but if the member—again, under the Treasury Board secretariat where this should have been raised—would refer to the second report of the Committee on Government Productivity, he will note that it indicates that there is a recommendation that the cabinet office, the Prime Minister's office by implication, should adopt more formalized procedures and that is happening. Some of us are finding it somewhat more difficult to live with than we used to but I think it is working and will prove its worth. That has undoubtedly added to the staffing in the Prime Minister's office.

To begin with the positions of deputy minister in the Prime Minister's office and secretary of the cabinet—those two positions, formerly held by one person—have been split in two and it goes from there. I am sure the Prime Minister in his estimates will, even

to your satisfaction, be able to explain that they are all busy people. In terms of complement, the complement has not risen. Some of the employees are on a contract basis.

Mr. Pilkey: I understand that perfectly. The Prime Minister will be able to explain it away; you did not have to tell me. He has that knack; he has the ability to do that, and I appreciate that.

On the question of pay and classification standards in this vote, you indicate and throughout the whole report you try to make it abundantly clear that employees in the service of the government receive comparable wages to those in the private sector. As a matter of fact, you have conducted a number of surveys—I do not know where the surveys are taking place.

I want to suggest to this minister that the wages of the employees and salaries of the employees in the public service are behind those in the private sector. I do not know what kind of surveys you are taking, but obviously the research that is being conducted is not providing the compensation that is related to the people working in the private sector. I wondered if the minister would have any comment on that?

Hon. Mr. McKeough: This has been explained before, of course, through this particular vote, the pay and classification standards. We are in touch on a regular basis with over 100 firms in Ontario with 200 or more employees. We work very closely with the federal pay classification persons.

I am quite sure, as I explained previously to the member for Humber, that you can find instances where, perhaps in a particular class, we are lagging somewhat behind the private sector, which will be corrected in the two-year cyclical review, we would hope. I must tell you that I get a number of complaints where we are paying more than the private sector.

Mr. Chairman: On vote 202.

Mr. B. Newman: Mr. Chairman.

Mr. Chairman: Is vote 202 carried?

Mr. B. Newman: I have another point on 202. It will fit in just as well there under pay and classification standards.

In checking over the annual report of the department, Mr. Chairman, I noticed that of the individuals hired in 1970—I should not say hired in 1970—but of the total staff in the under-\$4,000 bracket, on page 23 of the report, 75.7 per cent of them left after

one year; in the next wage bracket, 65.6, and in the third, 25.2. Then the drop is substantial.

Can the minister explain why so many employees leave when they are in that wage category? Is it because of dissatisfaction, salary-wise? Is it because of problems in the department? Is it because maybe there is a large number of young ladies employed, and they go their marital ways after one year or some portion of service with the department? Could the minister answer those?

Hon. Mr. McKeough: There is an equation, of course. If you look at the table above you will find that the greatest percentage of leavings, within the year, is in the under-25 group. You can compare back further that it is in the under-25 group, by and large, where you will find the lowest salaries. They were attracted on by the salary and apparently they decided the salary was not adequate.

I suppose the other thing that can be said—and I have already said this—is that you will find many other people in this area are working in the Ontario hospitals, which is a different kind of work, and where for a variety of reasons they have not stayed particularly. There was an improvement certainly in 1970 over 1969. We had just 6,300 resignations in 1970 as against nearly 7,000 in 1969. The females, I might say, are the biggest component of this. In 1970 there were 3,800 female resignations and 2,400 male resignations. What the reasons are I cannot tell you.

Mr. B. Newman: Is the minister attempting to do something salary-wise to encourage them to stay on a little longer?

Hon. Mr. McKeough: Not necessarily, no. That is, if they joined at that salary. Certainly the salaries are continually under review, but there is nothing alarming from our point of view about the amount of turnover. If anything, it is getting less and we do not relate that directly to salary.

Mr. B. Newman: Okay, that is it.

Vote 202 agreed to.

On vote 203:

Mr. Chairman: Vote 202 carried. I move to vote 203, personnel development programmes. The hon. member for Oshawa.

Mr. Pilkey: Mr. Chairman, the question I want to put to the minister is: There was a

recruitment of stenographers in the United Kingdom a year ago for the civil service; is that programme continuing? Are we recruiting people outside of Ontario for the civil service here?

Hon. Mr. McKeough: I do not think recently. Now you may find a department or two, which is. I do not know whether in the last—

Mr. J. Renwick: Is there any danger of Americanization of the civil service?

Hon. Mr. McKeough: One of the departments which had recruited in the United Kingdom on a rather regular basis was my former department, particularly in the planning field where we still have a shortage of community planners in this country. But I do not think they have recruited in the United Kingdom for the last year.

Mr. Pilkey: I only made that up-to-date because of the recruitment programme last year. As I understand it, they recruited stenographers in the United Kingdom, and I just wondered if that programme was being carried on. There are a lot of unemployed, and surely there are a number of stenographers who could be hired here without going outside of the country to get them?

Hon. Mr. McKeough: We have discontinued that kind of recruiting. There is no need for it, as the member said.

Vote 203 agreed to.

Mr. Chairman: This completes the estimates of The Department of Civil Service.

Hon. Mr. Wishart moves the committee rise and report and ask for leave to sit again.

Motion agreed to.

The House resumed, Mr. Speaker in the chair.

Mr. Chairman: Mr. Speaker, the committee of supply begs to report it has come to certain resolutions and asks leave to sit again.

Report agreed to.

UNIVERSITY OF TORONTO ACT, 1971

Hon. Mr. White moves second reading of Bill 80, The University of Toronto Act, 1971.

Mr. T. Reid (Scarborough East): I think perhaps—

Hon. J. White (Minister of University Affairs): Mr. Speaker, in speaking—

Mr. Speaker: The minister has the floor first.

Hon. Mr. White: In speaking today, I would like to make some general comments. I would like to preface these remarks by thanking on behalf of the government the scores of people, perhaps hundreds of people, who have invested their energy and their enthusiasm in making suggestions to us on the basis of the exposure draft of the bill, and, more recently, on the basis of the bill given first reading here a couple of weeks ago.

We have had formal submissions from approximately 40 individuals or groups. These have contained, I think one can say, dozens of suggestions which, when totalled, numbered approximately 250 pages.

Each of these has been carefully scrutinized and, where possible, has been accommodated. So there were a large number of changes between the exposure draft, so called, and the bill which was given first reading here not so very long ago.

We stand prepared, Mr. Speaker, I inform the House now, to make other amendments when this bill is in the standing committee on human resources, and, if necessary, in the Committee of the Whole House.

I would like to make some general comments which do relate, I think, to the principle of the bill. The principle of the bill, very simply, is that we are providing the University of Toronto with a new form of government, a form of government known as the unicameral system, which would replace the board of governors and the senate of the university with one governing council, thereby enabling participation by students, staff and alumni in a way that was not possible before.

The unicameral system has gained a great deal of support on the campus and, although it is not unanimous, I suggest that it is as close to unanimity as any such matter can be, affecting a diverse and heterogeneous group numbering tens of thousands of people. In the submissions made to us I venture to say that 90 per cent of them asked that the government proceed with the bill.

So all those interested in this great Ontario university should know at this time what the structure of the university will be, so far as this government is concerned,

and so that the search for the new president will enable a search committee to put before a prospective candidate the rules of the game, so to speak, the government has decided, as a matter of policy, to adopt the unicameral form of government as embraced in this bill, and to proceed with this bill in this session.

As a matter of policy, the government has likewise decided that there should be 50 per cent lay representation on the 42-person governing council. There was some initial objection to this from several quarters, but I have reason to believe that that objection has subsided and that there is very substantial concurrence that it is appropriate to have this outside contribution in the governing council. Here again, I would not expect that the feeling was unanimous, but here again, I think it is as close to unanimity as one can expect in this situation.

The bill provides for a new form of government which is unicameral in nature and one which permits substantial participation by staff, students and alumni. I am very confident that this form of government will work, Mr. Speaker, because of my observation that these several groups are responsible; that they have the best interests of the institution at heart, and that they have a real awareness of and dedication to the needs of the community as a whole. I am extremely optimistic that the bill which we deal with here today will set the stage for a new and illustrious period in the continuing tradition of success and accomplishment which characterizes this University of Toronto.

I think I should inform the House, Mr. Speaker, that the federation agreement with the federated universities is in no way affected and that the autonomy of the university is preserved and strengthened in this bill.

The bill is general in its constitution rather than specific. This has caused some comment but we think it is appropriate that the governing council should have the power to establish its rules, establish its committees, its councils; that it should have the autonomous power to decide upon many items which were in the old University of Toronto Act but which we think are not necessary in the new bill. In abandoning certain of those details, we think that we are strengthening the autonomous nature of the institution.

The generality of the new bill leaves the new structure very flexible, it seems to me,

and instead of requiring an amendment to a statute, the governing council can by its own power enact changes which are needed to meet changing circumstances. I would hope that the hon. members of this House would agree that the additional flexibility provided herein is progress.

There has been some alarm about the transitional period. It is my intention to appoint half a dozen vigorous, imaginative and heterogeneous persons from various vocational and social groups to the board of governors for the interregnum period until such time as the governing council is proclaimed and becomes effective. It will be my hope that the persons thus appointed would be available to the government if they were asked to serve as government appointees on the new governing council. In this way, a bridge may be formed between the old form of government and the new form of government.

The members of the House can be reassured, Mr. Speaker, that all of the existing committees and councils and contracts and obligations and responsibilities are continued with the new bill, even though such obligations may not be detailed in the new bill. This is the advice given me by my senior officials and by Mr. Duke MacTavish, the retired legislative counsel, who has been consultant to me and to my deputy minister in recent weeks. I expect that my assertion on this point will allay the concern which has been expressed by some.

We anticipate proclamation sometime in the future and in that regard we propose to work with the persons concerned at the University of Toronto. The consensus appears at the moment to be that the proclamation of the bill should be coincident with the assumption of responsibilities of the new president, which may be July 1, 1972. In this way, it is argued that the new president can be present when the governing council establishes its rules of procedure, establishes certain of its initial policies, establishes committees, advisory and—

Hon. A. A. Wishart (Minister of Financial and Commercial Affairs): Administrative.

Hon. Mr. White: Administrative, thank you—and other matters in which it is felt that the chief executive officer, so to speak, the president, should have a very direct participation.

The 14 government appointees will be selected, Mr. Speaker, so as to represent the

community as a whole. And I give my undertaking to the House, as I have given elsewhere, that we will treat this as a very serious responsibility and select men and women who can bring vigour, talent, imagination and ideals to this very important responsibility.

We are not prepared, Mr. Speaker, to accept any limitation on these appointments in this statute. As the hon. members here will know, certain appointments are the right and the responsibility of the government and we see these appointments in that area. We see them as our right, which we intend to preserve for this government and its successors. We see this as our responsibility, which we intend to fulfill, and I think my previous assurance will indicate to the members of the House the seriousness with which we treat that particular responsibility.

We likewise see the appointment of a chairman and vice-chairman for the first three years as being the right and the responsibility of government, and at the end of those three years we are prepared to see these senior positions fulfilled by means of election, with each member of the governing appointees being eligible for election to these high positions.

That concludes my initial remarks, Mr. Speaker.

Mr. J. Renwick (Riverdale): Except for just one question on one point. Would the minister make a brief comment on the elimination of the expropriation power from the bill, if my reading of the bill is correct?

Hon. Mr. White: I think I will not hazard a casual reply to that. If I may, I would rather deal with it in committee.

Mr. T. Reid: Mr. Speaker, I would just like to say that in terms of its principle this bill represents in a great many ways the position that this party has taken over the past three or four years concerning certainly the University of Toronto, the principle of the unicameral system as opposed to the previous double-headed complex.

You have achieved the principle if you like of a community at the University of Toronto itself, and all members of that community being part of the senior governing body of the university; and thirdly—and probably more important in many ways—the concept that the university is part of our society, is part of its own community and has responsibility and obligation to the out-

side community, and the outside community has a responsibility to become involved in what is happening in the university.

I think the significance of discussing this bill in terms of its principle, Mr. Speaker, is that it could constitute a precedent for 13 other universities in Ontario, even though those charters come by way of private bills as opposed to public bills. The features of this bill, the principle of this bill, must be scrutinized and examined very carefully in terms of the principles incorporated in the bill.

I think in certain other very specific respects in the bill, Mr. Speaker, there has been built-in if you like a possibility of a model which could be copied by other universities in the province. It is a very significant bill. The principles incorporated in it are most important and it should be just a beginning of the revisions of most university Acts in the province.

Before I go any further, in case I forget when I conclude, we support the bill in principle. We have reservations about some of the principles incorporated in it.

The first basic principle in the bill, Mr. Speaker, has to do with the representation, as the minister stated earlier, of 50 per cent of the new governing council being drawn from outside the university. I point out to the minister that this a good principle in a unicameral system for many of the reasons he has already outlined. I would ask him to note that if we include the chancellor and the president, that is to say, if we take the total 42-member council, outside representation by the 14 members appointed by the Lieutenant-Governor-in-Council and by the six persons elected by the alumni and from the alumni, that those people make up 20 as opposed to 21.

Hon. Mr. White: Plus the chancellor.

Mr. T. Reid: The chancellor may or may not be from outside the university, as the minister knows. This is a small point, but I think it is important to note that if we include—

Hon. Mr. White: I think the chancellor cannot be a teacher or a student.

Mr. T. Reid: No, but he can be from within the university. It may be a question for the minister to clarify in an amendment later on, but the point is that there is almost, if not actually 50 per cent outside representation. That is a good concept.

The important thing, Mr. Speaker, is that there must be, we believe, certain safeguards built into this legislation to ensure that the 14 persons appointed by the Lieutenant-Governor-in-Council do represent the outside community. We are not men of little faith; we take faith in some regard with the new Minister of University Affairs and we know his recommendations to his cabinet colleagues will probably be first-rate. But I think it is important in terms of appearance that there be in this bill a general statement of principle concerning the selection of those 14 people.

There are a number of possible alternatives that the minister could consider. One could be that the committee on human resources of the Legislature, Mr. Speaker, would recommend to the minister 30 persons whom the committee felt represented the community at large. Out of those 30 the government, through the cabinet, through the Lieutenant-Governor in Council, could still exercise its prerogative in appointing 14. One could have recommendations coming from a number of sources, as opposed to the minister's own private list. I am not suggesting that the minister will simply make these decisions on his own. He will consult, I know, Mr. Speaker. But I think it is important in this bill to have a procedure to assure the public and the people within the university that there is no hint whatsoever of yet another set of government appointees by a particular political party that happens to form the government at that time.

I think the principle of outside representation is a good one but I think there must be safeguards built into this bill, Mr. Speaker, whereby the 14 members appointed by the Lieutenant-Governor-in-Council are selected from among people in the immediate community, people from various socio-economic groups and so forth.

I would personally favour having in this bill, as I believe is in a number of university bills, that the mayor of the city in which the university is located, or even the Metro chairman, might be an ex-officio member. I would suggest, too, that perhaps the president of the ratepayers' association around the main campus of the University of Toronto might also be an ex-officio member of the university council. These are just by way of example techniques which would ensure that the minister and the political party in power maintains a credibility in its appointments to the governing council of the university. I think there is a defect, if you like,

in this particular concept of the bill, Mr. Speaker.

I note that in one of the minister's submissions from Robin Ross of the University of Toronto, responding on behalf of the university-wide committee that this point is gone into in some length on page 9 of Robin Ross' letter. It might be worthwhile, Mr. Speaker, just to put a sentence or two into the record with this respect. Robin Ross states in his letter to the minister dated June 14, 1971:

In the university-wide committee we considered many sources of the main component of the governing council, including some from the city of Toronto and perhaps some from the surrounding boroughs and Metro. The university-wide committee passed no specific resolution on this matter, but it was clear from the discussion that its members wished the main component of the governing council to provide a broad public representation and approach.

The minister accepts that. I am simply saying there must be procedures to ensure that this just does not become another branch of political patronage which is the way of life for too many ministers over there.

The second most important concept in this bill which I believe the minister has not faced up to squarely yet, I believe—and perhaps he will discuss this at length in his further remarks—is the application of the concept of parity which he has accepted in terms of the outside representation to the inside representation in the university—the acceptance of that principle in that area, to the question of parity in terms of the number of teachers on the council and the number of students on the council.

In this regard, Mr. Speaker, we believe that this particular principle in the bill is wrong and ill-founded. The bill, as you know, states that 10 members shall be elected by the teaching staff from among the teaching staff, and six members shall be elected by the students, including components for graduate students, part-time students and full-time undergraduate students.

In other words, Mr. Speaker, the bill is faulty in terms of the principle of parity, and we on this side believe that the parity concept vis-à-vis the people inside the university who are part of the learning process—the teachers and the students—that concept of parity ought to be included in this bill and any subsequent bill that comes before

the House regarding the revision of the government structures of the other universities in the province.

Mr. Speaker, I would like to dwell on this issue of parity because I think it is the single most important issue internally at the University of Toronto at this time, and the failure of this government to incorporate this concept in the bill is a very serious one, and probably the most serious defect in the bill.

I understand, for example, that Dr. Solandt of the board of governors of the University of Toronto has written a personal letter to the minister in which he states that there must be more student input on the governing council of the university. Now whether Dr. Solandt in his letter to the minister actually stated "parity" in terms of equality of representation between teachers and students, I do not know, but Dr. Solandt believes that this bill is defective in that there is not sufficient student input on the governing council and particularly, I understand, on the executive committee which restricts the student involvement to one student on an executive committee of 10.

The importance of parity, Mr. Speaker, is hard to convey unless one has been in touch with what has been going on within the University of Toronto, particularly at the downtown campus, over the past four years.

I have been in touch with it, not as much as I would like to have been, but I have talked with the student leaders and many of the faculty people at University of Toronto over the past four years on this issue.

That concept of parity has been included in many of the existing governing structures of the University of Toronto—for example I have a copy of the letter to the minister from Denis Newman, the president of Innis College Student Society, dated June 10, in which Mr. Newman makes the following statement: "At Innis College we have student-faculty parity in all committees."

And he continues in his letter to the minister, Mr. Speaker:

I am sure that upon inquiry the staff of Innis—

That would be the teaching staff of Innis.

—would assure you that the students elected to the various committees have acted responsibly and their abilities to provide a different perspective have often been of great value to the other members of the committee.

For these reasons I feel that the number of undergraduates on the governing council should be increased.

If you look at—the minister knows this, but I think it should be on the record in this debate, Mr. Speaker—if you look at various other colleges, faculties and departments in the University of Toronto you will find that already in the governing structures of those departments and faculties and colleges, at the very basic decision-making level in the university—that is the academic decision-making level, right at the departmental level—there is already the concept of parity between teachers and students incorporated in those structures, in those decision-making bodies.

For example, in the sociology department at the University of Toronto, the principle of parity has been incorporated in the government of that particular department.

In Architecture, the principle is incorporated, in philosophy it has been incorporated and even in the physics department—and I say “even” because quite often we think this is just a problem in the so-called humanities and social sciences departments—even in the physics department at the University of Toronto there will be, according to the sources I have, the concept of parity between teacher and student incorporated in its governing bodies within the next year or so.

The importance of the omission of the concept of teacher-student parity in the top governing body of the university must be underlined. Because, if this bill passes in this form, where there is not parity between teachers and students on the top governing council this will—in the opinion of a number of people I have talked to at the University of Toronto—lead to a corrosive attitude in those departments and faculties and colleges.

Excuse me, Mr. Speaker, I think I should say “colleges and departments”; there is a real problem at the faculty level, the academic faculty level at the University of Toronto—but in those colleges and departments within faculties, in which the concept of parity has been in effect for at least a year and in some cases two years, the principle of non parity incorporated in the minister’s bill will, in all likelihood, be quite corrosive to that type of process that is being built into various aspects of the University of Toronto already.

Further than that, if the legislation establishing the top decision-making body does

not include this concept of parity, then other departments that were thinking of it or moving toward it—either parity or parallel structures—will have a disincentive to continue to move toward it. I think this is very important and I think that the concept of parity must be included in this bill.

I am just trying to think of other ways, Mr. Speaker, to try to convince the minister and his colleagues, and you, sir, why the principle of parity must be included.

Hon. Mr. White: Well, if I could be permitted to interrupt, the government does not stand behind the existing ratio. We have established, as a matter of policy, that 50 per cent of the total governing council must be from outside.

Mr. S. Lewis (Scarborough West): That is a relief, I tell you.

Hon. Mr. White: Whether the student-teacher ratio be 6:10, or 8:8, or 10:6, is to be left to the determination of the standing committee. And I have made it very clear to student representatives and faculty representatives that they are to make their case to the members of the standing committee, whose determination shall decide the matter.

Mr. T. Reid: Mr. Speaker, I feel that that was a very important statement for the minister to make publicly. I did not know that before.

We are discussing the principle of the bill. There is a principle of parity, which I believe to be the single most important issue of the University of Toronto campus over the past three or four years and right now. We had, as you know, a strike vote on that issue not too long ago and I am very pleased that the minister has stated that he has an open mind to the incorporation of that principle in the bill after the hearings in the human resources committee.

Mr. Speaker, I shall leave my comments on that principle.

Mr. Speaker: Yes, perhaps if the member is going to move on to another area of discussion, which would take more than three or four minutes, he might move the adjournment of the debate because the hour of adjournment is approaching rapidly.

Mr. T. Reid: Yes, Mr. Speaker. I had not realized this before, but there is a lot to say about this bill and I would move the adjournment of the debate.

Mr. T. Reid moves adjournment of the debate.

Motion agreed to.

Hon. Mr. Wishart: Mr. Speaker, before the House adjourns, I think the hon. members would appreciate knowing what we propose to do on Monday.

There is just one main department still to go with its estimates before the House, that is the Attorney General's (Mr. A. F. Lawrence). The Attorney General's estimates will be dealt with next week. I would hope we might get to them on Monday, but before doing that, I would like to call a number of the orders which relate to legislation.

The Treasurer (Mr. McKeough) has some six or seven bills—six bills, items 11 to 16 inclusive on the present order paper. Item 10 is the second reading of the publications bill. The Provincial Secretary (Mr. Yaremko) has in the Committee of the Whole, Bills 71 and 72. I think it would be well if we were to deal with some of these items so that we might get on with those which appear to be urgent.

However, I would ask the hon. members to be prepared to discuss legislation. At least, I would like to get a number of those items out of the way and then go to the estimates of the Attorney General.

Mr. J. Renwick: Mr. Speaker, will we continue the debate on second reading of the University of Toronto bill on Monday?

Hon. Mr. Wishart: Yes, I should have mentioned that this of course will continue.

Mr. Lewis: That will be first in line?

Hon. Mr. Wishart: Yes.

Mr. V. M. Singer (Downsview): Mr. Speaker, with the amount of work that the former Attorney General has outlined, does he think that it is still possible that the Attorney General's estimates will start on Monday?

Hon. Mr. Wishart: Of course it is very hard to say. As I look at the items that I mentioned—11 to 16, the second readings of the bills introduced by the Treasurer—I would not think that the second readings of those bills, which is principle, would take long. I do not anticipate that this particular debate now proceeding will take much longer.

Mr. Lewis: The minister is wrong about that.

Hon. Mr. Wishart: Maybe I am wrong, but how can I say then? If hon. members across the House occupy a lot of the time of the House—and it may be quite right that they do—I cannot estimate, but I would hope that we might get to the Attorney General's estimates some time before we conclude the business of the day on Monday next.

Mr. Singer: One further question: When does the former Attorney General contemplate he is going to call second reading on his own bill dealing with compensation without fault in insurance?

Hon. Mr. Wishart: I have not got a day in mind but I would hope some time next week.

Mr. Singer: It will not be Monday?

Hon. Mr. Wishart: It will not be Monday.

Mr. R. F. Nixon (Leader of the Opposition): Mr. Speaker, can the House leader assure us that Education estimates will go forward in the committee on Monday?

Hon. Mr. Wishart: No, Mr. Speaker. I think we indicated last night that we expected the whips would arrange and that the parties would be agreeable that Trade and Development would take place Monday, and I think this has been pretty well taken care of. That is the intention—that in committee it will be Trade and Development, and in the House, the Attorney General.

Mr. W. M. Deacon (York Centre): Mr. Speaker, when does the House leader expect the city of Toronto bill to come forward?

Hon. Mr. Wishart: Is the hon. member speaking of the private bill?

Mr. Deacon: Yes.

Hon. Mr. Wishart: I would have to check that. I would also hope we might get to that sometime early next week also.

Hon. Mr. Wishart moves the adjournment of the House.

Motion agreed to.

The House adjourned at 1 o'clock, p.m.

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Legislature of Ontario Debates

OFFICIAL REPORT — DAILY EDITION

Fourth Session of the Twenty-Eighth Legislature

Monday, July 5, 1971
Afternoon Session

Speaker: Honourable Fred McIntosh Cass, Q.C.
Clerk: Roderick Lewis, Q.C.

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of this issue.)

WEDNESDAY, JULY 2, 1971

House of Commons in the Morning

Monday, July 2, 1971

House of Commons

Speeches and Debates in the House of Commons
and in the House of Lords

House of Commons

LEGISLATIVE ASSEMBLY OF ONTARIO

MONDAY, JULY 5, 1971

The House met at 2 o'clock, p.m.

Prayers.

Mr. Speaker: This afternoon, our guests in the east gallery are students from Gulfstream Public School, in Weston, who are hosting Young Voyageurs from Montreal, Quebec.

Statements by the ministry.

Oral questions.

ALLEGED MISCARRIAGE OF JUSTICE

Mr. R. F. Nixon (Leader of the Opposition): Mr. Speaker, I would like to ask the Attorney General if he can tell the House what steps he intends to take to ensure that Ron Shatford, who has been in prison for a full year on a 15-year term, will have his case looked at immediately by some of the law officers of the Crown in order that consideration for his release might be undertaken?

Hon. A. F. Lawrence (Minister of Justice): Mr. Speaker, first of all, I am as concerned as I hope all other hon. members are respecting any miscarriage of justice in this province, and obviously I have a special duty and a special responsibility in this regard.

I have only been able to make myself familiar with the article that was published in a Toronto newspaper just this morning respecting the statements and allegations that have been made about this trial. And of course I am also familiar with some of the public comments that have been made since publication of the article.

I was rather grieved to note the innuendo, at least in one of the noon editions of one of the Toronto papers, that they were unable to reach me over the weekend because I was "holidaying." I was not holidaying on the last weekend and I would like that corrected somewhere along the line.

I certainly am reviewing the article that appeared in Saturday's Toronto Telegram in the light of the facts that are and have been provided to me about the trial and the subsequent appeal.

As the hon. members are already aware, the case of Mr. Shatford was considered by a jury, it was considered by the court of appeal and leave to appeal the case to the Supreme Court of Canada was refused, so that it is not a matter that has been lightly considered in the courts of this land, by any means.

Of course the matter was dealt with in the courts on the basis of the evidence then available to the authorities and it was dealt with in the context of the law. It is very difficult for me at this stage to conceive what purpose a public inquiry might accomplish under the provincial jurisdiction which I have, or which the Lieutenant-Governor-in-Council has since the man himself could only be dealt with through executive action by the Minister of Justice at the federal level by way of a reference back to the appellate court or a pardon, presuming—and I emphasize the word "presuming"—that the facts warrant that type of consideration.

My concern is with some of the allegations that might be inferred from the nature of the comments that have been made, and I wish to pursue these both in the area of the police investigation and in the area of the prosecutions which resulted from that investigation. I am pursuing that concept or that aspect of these matters forthwith, but until I have completed my consideration of the matter, especially in that area, I do not feel that it would be appropriate for me to comment further upon any detailed aspects of the case.

I merely emphasize that no matter what we did here at the provincial level, if the idea is to get the man out of jail, the ultimate remedy obviously has to be pursued at the federal level, as that is a matter that is exclusively within the jurisdiction of the federal authority.

Mr. Nixon: A supplementary, Mr. Speaker: The minister has indicated that he is concerned to see whether the allegations and information are in fact factual. Would he not think that an inquiry would be of assistance even to the government of Canada, which apparently is the operative authority

for releasing the man? Somebody is going to have to undertake such an investigation, and it should be surely by the Attorney General of Ontario.

Hon. A. F. Lawrence: Except that this was an alleged breach of a federal statute, namely The Criminal Code of Canada. The man is presently in a federal institution, namely Millhaven. Certainly, if he was put in those places, to put it crudely, by some maladministration of justice in this province, then certainly this is something that I have a responsibility for and I want to find out about it.

I am not in any position to indicate to members here today, in light of the brief time that I have had to consider the matter, that it yet warrants that type of an inquiry.

Usually an inquiry of that nature is to find for us problems that we are unable to find for ourselves. Under the circumstances this may not be the case. There may be certain problems that have already been rectified in respect to police procedures, for instance respecting identification; there may be other matters that we can find a more summary way of dealing with, and some of these procedures may be rectified much easier than with a judicial inquiry.

The main thing is, if there has been a miscarriage of justice the thing is finally going to end up in the lap of the federal Minister of Justice in any event. Certainly that has been our advice until now as to which way the matter should be taken.

Mr. Nixon: A supplementary: The minister would agree that we are concerned with correcting a miscarriage of justice, if a miscarriage has taken place, and not so much with procedures. Would he then, for clarification, say that there will be a private ministerial inquiry for his own benefit which could lead to a public inquiry or to a recommendation to the Minister of Justice for Canada?

Hon. A. F. Lawrence: No; I have said that I am concerned about matters in the area of the police investigation into this particular matter and in the area of the prosecution which resulted from that investigation, and that I am pursuing my own investigations into that matter forthwith.

At this time I am not prepared to go further than that. Indeed, I am sure the House would appreciate that it would not be wise for me to go further than that at the moment.

Mr. V. M. Singer (Downsview): Mr. Speaker, by way of supplementary, would the Attorney General not agree that since he is responsible for the administration of justice in Ontario, and since there would appear—at least from what has been written in the newspapers—that there has been an apparent miscarriage of justice, the Attorney General could do no less than to investigate either publicly or privately and inform the public as quickly as possible whether or not there has been such a miscarriage of justice, without worrying about the pettifogging details of police identification procedures?

Hon. A. F. Lawrence: I thought I had just indicated what I was doing?

Mr. Speaker: The hon. member for Riverdale has the floor.

Mr. J. Renwick (Riverdale): By way of supplementary, if it is an accurate statement that officers of the Attorney General and Minister of Justice's department prosecuted the case in the first instance, would it not be incumbent on the Minister of Justice of this province to determine whether or not, in the light of the disclosures which have been made, this constitutes new evidence which would permit the law officers of the Crown, as an obligation upon this minister, to reopen the case before the court of appeal of the Province of Ontario?

Mr. S. Lewis (Scarborough West): It is a good point.

Hon. A. F. Lawrence: Well I have just indicated what I thought my responsibilities were here and how I intended to go about them. As I thought I indicated, until I could answer that question specifically and correctly I want to have more information than I now have. I am not ruling out that possibility; I am just saying I am not in a position today, right here and now, to indicate that will be the course of action in this matter.

Mr. J. Renwick: By way of a further supplementary question, would it be not only the appropriate course of action in the administration of justice, if in fact there is new evidence available which was not available to the court of appeal of Ontario when the matter was before that court? Is that not the one and only proper course for the minister to take, if in fact there is new evidence?

Hon. A. F. Lawrence: No, there are many other courses.

Mr. E. W. Sopha (Sudbury): To get through all the obscurantism of the Attorney General's reply, would he not think that the least he could do is send a couple of his law officers to Kingston to see Anderson and to determine if his story rings true?

Mr. M. Shulman (High Park): He is not in Canada; he is in the United States.

Mr. Sopha: Well, wherever he is—in New-haven—if his story seems to ring true, that will impel the Attorney General to take the necessary and proper steps? For heaven's sake—

Mr. Speaker: Order. The hon. member is asking a question I hope?

Mr. Sopha: —you know of evidence where Christie was unswervably damned in the one case and the other fellow Evans ended up as the malefactor.

Hon. A. F. Lawrence: I thought I indicated to the House that I was pursuing these investigations.

Mr. Sopha: In that way?

Hon. A. F. Lawrence: If the hon. member did not understand me I will repeat it.

Mr. Sopha: In that way?

Hon. A. F. Lawrence: There are two aspects of it that I am causing my own investigation into, two matters. They are hardly pettifogging, they are very important; and certainly these matters are part of the investigation.

Mr. Singer: You talk about procedure, certainly that is pettifogging.

Mr. Sopha: When can we expect to hear from the Attorney General?

Hon. A. F. Lawrence: As soon as I can.

Mr. Speaker: I wonder if the House would allow us to revert to statements by the ministry, because the Minister of Trade and Development has a statement upon which there may be questions.

Hon. A. Grossman (Minister of Trade and Development): Mr. Speaker, the Ontario Housing Corporation will be offering 233 fully serviced single family and 32 semi-detached building lots for lease on Hamilton Mountain at 9 a.m. Wednesday, July 7.

The offering will consist of 60 single family lots in the Ralston subdivision, and 173

in the Gilkson subdivision. In this latter subdivision there will be 32 semi-detached lots which will produce 64 dwellings and these will be leased directly to builders. The single lots will be offered to individuals on a first-come, first-served basis.

Our advertisement will be appearing in the Hamilton Spectator Tuesday, July 6. OHC staff will be on hand to explain the offering to individuals already in the lineup and to process applications on July 7, starting at 9 a.m. The office will remain open until 9 p.m. These extended office hours will be in effect during the course of the offering.

Mr. Speaker, these are normally routine matters for OHC but due to some concern in Hamilton, expressed by some of the people there and the members from Hamilton, particularly the member for Hamilton Mountain (Mr. J. R. Smith)—they drew this matter to my attention last night when I returned from out of the city—it was felt advisable to make a statement to allay the concerns of those people involved in Hamilton.

Mr. Speaker: The Leader of the Opposition now has the floor for questions.

SALE OF ENERGY BY HYDRO

Mr. Nixon: Mr. Speaker, a question of the Minister of Energy and Resources Management: Has he recommended to cabinet the approval of an order-in-council making possible the sale of energy by Ontario Hydro to Niagara Mohawk between the dates of February 15 and October 31 this year? If so, or if he is aware of such sale or such transference of energy already under way, does he consider this the normal interruptible exchange of power between the two jurisdictions, or does he recognize this as a deal which is not normally interruptible and which could cost Ontario more than \$1 million when the net costs are balanced?

Hon. G. A. Kerr (Minister of Energy and Resources Management): Mr. Speaker, yes, I am aware of the order-in-council to which the hon. Leader of the Opposition refers. It is before cabinet for consideration. I would consider it a normal application and normal export agreement between the province and Niagara Mohawk.

Mr. Nixon: Mr. Speaker, might I ask a supplementary question? Can the minister tell the House whether the net costs of the exchange, the probable exchange in energy,

have been put before him by Ontario Hydro; and if in fact they do indicate that this would not be in the best interests of the business aspects, at least, of Ontario Hydro?

Hon. Mr. Kerr: Yes Mr. Speaker, the total costs, the total cost ramification, of this transaction between Niagara Mohawk and Ontario Hydro are known to us—they have been told to us by Hydro. There is some dispute with Hydro's figures and this is being ironed out at the present time.

Mr. Nixon: A final supplementary, as far as I am concerned: The minister then can assure the House that this would be a simple agreement under the readily understood existing interchange agreements and not an extension of that principle?

Hon. Mr. Kerr: Mr. Speaker, it is a normal agreement. I will not say it is a simple agreement, but it is a normal agreement that may have some abnormal features from the point of view that it involves hydro from Quebec as well as from Ontario. A part of the power, the interruptible power to be exported, is coming from Quebec and being transmitted through our lines. We are also supplying Niagara Mohawk with a certain amount—I think it is a total of about 300,000 kilowatts.

NANTICOKE GENERATORS

Mr. Nixon: Mr. Speaker, another question of the same minister: Can he report to the House if there have been any unforeseen difficulties in bringing the Nanticoke generators on line; and if in fact there will be a time lag of up to six months before it is fully operational at Nanticoke?

Hon. Mr. Kerr: Mr. Speaker, I am not aware of any abnormal delay in bringing the Nanticoke generators into line at this time.

PAYMENTS TO FISHERMEN

Mr. Nixon: Finally, Mr. Speaker, a question of the hon. Minister of Mines and Northern Affairs: In the absence of the Minister of Lands and Forests (Mr. Brunelle) can he report to the House what the government is doing to alleviate the emergency situation among the freshwater fishermen in northwestern Ontario who are plagued not only by the loss of their sales because of mercury pollution, but because of the fact

that the marketing board, through the fish processing plants, is extremely slow in getting payments to the fishermen?

Second, can he explain why there are these delays in payment and whether in fact there is any truth to the rumour locally that both the Kemp and Shoal Lake fisheries may not be able to survive financially these abnormal pressures?

Hon. L. Bernier (Minister of Mines and Northern Affairs): Mr. Speaker, I think I would have to take that question as notice. The Minister of Lands and Forests would have all the answers for the hon. leader.

Mr. Nixon: The minister made a statement about it up there in the north! Why not here?

REGULATIONS FOR ENVIRONMENTAL BILL

Mr. Lewis: Mr. Speaker, a question of the Minister of Energy and Resources Management: Will the draft of the proposed set of regulations governing the new environmental bill be before the Legislature before passage of that bill, presumably within the next 10 days to two weeks?

Hon. Mr. Kerr: No, Mr. Speaker, I would anticipate that it would not be possible to bring in all the regulations envisaged in the bill before the passage of the bill. I think I should make it clear to the House that the regulations dealing with at least three pieces of legislation will be adopted, shall we say *holus bolus*. In other words there are parts of the legislation dealing with air management, with waste management, with The Public Health Act, and with pesticides, for example, that are all in existence at the present time and would be part of this legislation.

The only new regulations that I can think of off-hand would be such as those dealing with litter, with noise, and things like that. These really have to be developed over some period of time—particularly those concerning noise—as our information and technology improves.

Mr. Lewis: Mr. Speaker, by way of a supplementary, will there be no additional regulations prior to passage of this bill in areas of water and air management beyond those already existing in The Ontario Water Resources Act?

Hon. Mr. Kerr: That is right.

Mr. Lewis: And there is nothing now in draft form that could be put before the regulations committee by the minister, were it to be called, or before the House at second reading, or in committee, which would give us some ideas as to the substance of the litter, noise and related provisions?

Hon. Mr. Kerr: Mr. Speaker, we could bring some very preliminary regulations that we have been anticipating for litter and also very preliminary regulations that have been considered—there is nothing drafted in any final form—for noise. As far as the other ones to which the hon. member refers, of course, it is just a matter looking at existing regulations.

Mr. Lewis: So that, by way of supplementary, in fact, this bill just manages to be a compendium of all that went before without any novelty or originality at all, in terms of environmental control?

Hon. Mr. Kerr: No, I would not say that, Mr. Speaker. All I am saying is that many of the regulations over which there seems to be some concern are already in existence. This is not to say that some of those regulations would not be updated, particularly those which may be one or two or three years old. In light of present technology and our knowledge generally, we can improve on these things; I am sure we will improve, even on existing regulations.

But the main part of this bill, in respect to its regulations, I feel is in existence at the present time. The ones that we will not be able to deal with are those new sections. As the hon. member will appreciate, just drafting the legislation to provide the framework for implementing regulations has taken some time and by their very nature the regulations will have to be done in stages, in many cases.

LEGISLATION ON QUARRIES

Mr. Lewis: The hon. member does not appreciate, but accepts the bill for the moment.

May I ask a question of the Minister of Mines and Northern Affairs? He will recall that on June 1, he was introducing his bill on pits and quarries at the first opportunity. It is now, as I recall, July 4—is that right?

Mr. J. E. Stokes (Thunder Bay): The fifth.

Mr. Lewis: You see, I have troubles too—July 5. When is this bill to come before the Legislature? Can we be guaranteed that it will receive passage before the end of this session?

Hon. Mr. Bernier: Mr. Speaker, I think the bill will come forward at the very first opportunity and I am looking forward to its passage at this session.

Mr. Singer: Soon as he is finished flying over the escarpment in his airplane.

Mr. Lewis: What is that last part?

Hon. Mr. Bernier: I am looking forward to the passage of that bill—

Mr. Lewis: He is looking forward to the passage.

Hon. Mr. Bernier: —at this session.

Mr. Singer: How are the minister's flights going?

Mr. Lewis: By way of supplementary, how many flights has the minister taken over the pits and quarries of Ontario since June 1; and when?

Hon. Mr. Bernier: Oh, I do not know when, Mr. Speaker, the date escapes me right at the moment; but I have taken a very extensive flight and numerous other visits by automobile.

Mr. Sopha: Is the minister on the youth fare?

Mr. Lewis: Excuse me, the minister has taken a flight?

Hon. Mr. Bernier: Yes, one extensive flight.

Mr. Lewis: One extensive flight over the terrain. Can the minister recall how long ago that flight was?

Hon. Mr. Bernier: Oh, I do not know. Two weeks ago I suppose.

Mr. Sopha: Was the Minister of University Affairs (Mr. White) with the minister? He is a great flyer, at public expense.

Mr. Lewis: By way of supplementary, can the minister give the Legislature a guarantee—

Mr. Nixon: I thought he was a great fisherman.

Mr. Sopha: The Goldwater of the House.

Mr. Lewis: —a guarantee that the bill will be introduced and passed before the end of this session, rather than the looking forward to it?

Hon. Mr. Bernier: Mr. Speaker, I can only guarantee that it will be introduced. And with the co-operation of members opposite it will be passed.

Mr. W. Hodgson (York North): Wait and see!

Mr. Lewis: This session?

Hon. Mr. Bernier: Yes.

RESIGNATION FROM THUNDER BAY HOUSING AUTHORITY

Mr. Lewis: A question, Mr. Speaker, of the Minister of Trade and Development: Has the minister received—I am sure he has—the letter of resignation by Mrs. P. F. Morton from the Thunder Bay Housing Authority and can he make some comment on its contents?

Hon. Mr. Grossman: Mr. Speaker, the hon. member asked me a question and answered it. His answer was incorrect. I have received no such resignation, therefore there is no point in commenting.

Mr. Lewis: By way of supplementary, or a new question, if anyone in his department ever shows the minister his mail and he finds that Mrs. P. F. Morton has resigned from the Thunder Bay Housing Authority on the grounds of arbitrary appointments of a manager inconsistent with needs of the tenants, and general arbitrariness on the part of OHC towards the local authority, would the minister then make a statement to the House as to its contents?

Mr. Speaker: That is a completely theoretical question, and the minister need not answer it.

Mr. Lewis: Mr. Speaker, on a point of order. It is theoretical only insofar as I have a copy of the letter to the minister. Therefore I suspect that it may be true in practice, as well as in theory. The date is June 28.

Hon. Mr. Grossman: Mr. Speaker, I advise the hon. member I have not received such a letter. He may rest assured my staff shows me the letters which are addressed to me and if it was dated June 28, as the hon. member says, it is quite possible it has not even reached my office.

Mr. Lewis: Is this the way he gets mail from the north?

Mr. Sopha: John Paul Getty is not that bad.

Hon. Mr. Grossman: It is quite possible it has not even reached the staff.

Mr. Lewis: Oh, come on now! Pony express, you know!

Mr. Speaker: Supplementary?

Hon. Mr. Grossman: The federal government runs the mails, we do not.

Mr. Shulman: In view of the fact that Mrs. Morton has complained the quality of workmanship and design by Headway Corporation is very poor, will the minister take a second look at that organization?

Hon. Mr. Grossman: Ridiculous question!

Mr. Speaker: The member for Scarborough West.

POLICE SEARCH OF DOW EMPLOYEE'S HOME

Mr. Lewis: A question of the Attorney General and Minister of Justice, Mr. Speaker: Is the Attorney General aware that on Wednesday, June 23, the city of Sarnia police and the RCMP entered the home of one Ivan K. Hillier to search, allegedly for the purpose of finding narcotics? Might the minister inquire into this matter, if he is not aware, and indicate to the House the circumstances of this search and his views on it?

Hon. A. F. Lawrence: How do you spell his name?

Mr. Lewis: Hillier, H-i-l-l-i-e-r, an employee of Dow Chemical who is not entirely viewed affectionately by that company.

Hon. A. F. Lawrence: Is he the same Hillier who is the NDP candidate?

Mr. Lewis: No, the same Hillier who appeared before a legislative committee.

Hon. A. F. Lawrence: I would be glad to take the matter under advisement.

Mr. Lewis: Right.

Mr. J. Renwick: I hope the minister does better with the writs of assistance than his predecessor.

EMPLOYMENT OF STUDENTS BY OTTAWA-CARLETON REGION

Mr. Lewis: I have a question of the provincial Treasurer based on a telegram sent today, which therefore may not have come to his attention since telegrams take a long time in getting to the government. Is he aware of a Treasury Board order which may impede the continued employment by Ottawa-Carleton region assessment office of students until the end of August, which guarantee of employment they had, but they are now threatened with dismissal on July 17?

Hon. W. D. McKeough (Treasurer): No, I am not aware of any such order, Mr. Speaker. As a matter of fact, the reverse was true. When the budgets were approved for the individual departments—not just that department, but all departments—the minute was to the effect that whatever constraints were necessary to come within the budget guidelines would have to be made, but that under no circumstances would summer employment be reduced from the original figures supplied by the department. So I can only say there must be some misunderstanding.

ASBESTOS POLLUTION IN JOHNS-MANVILLE PLANT

Mr. Lewis: Two very short questions of the Minister of Energy and Resources Management, Mr. Speaker: Has the minister looked into the asbestos pollution problem in the Johns-Manville plant which has been the cause of serious labour unrest; and is his department satisfied that the effects, in health hazard terms, are under control?

Hon. Mr. Kerr: Mr. Speaker, the original report, which I am assuming the hon. member is referring to, deals with asbestos pollution within the plant, resulting in respiratory diseases to some workers. This, of course, is under The Department of Health. I have asked my people for information as it would affect my department. They are satisfied that there is not any abnormal situation as far as emissions from the plant are concerned, but we are also trying to get information from Health to see if we should be more involved in some way with situations within the plant.

Mr. Lewis: Quickly then, Mr. Speaker, to the Minister of Health: Has the Minister of Health had his officials look into the asbestos pollution effects within Johns-Manville, and has he a report to make?

Hon. A. B. R. Lawrence (Minister of Health): Mr. Speaker, I have not initiated it but I know the department has.

Mr. Lewis: By way of supplementary, has the minister any idea as to the effects which are claimed by the workers to be very unsettling? One can understand their own state of any anxiety about it.

Hon. A. B. R. Lawrence: Well, I shall report, Mr. Speaker. I do not know whether it would be better directly or through the Minister of Energy and Resources Management, but certainly in one way or another I will make the information available.

Mr. Shulman: A supplementary, Mr. Speaker: Would the minister also look into what, if anything, was done about the report on asbestos danger that was supplied to his predecessor 12 months ago on this very problem?

Hon. A. B. R. Lawrence: Yes, Mr. Speaker.

Mr. Speaker: The Minister of Social and Family Services has the answer to a question asked by the member for Downsview.

VICTORIA COUNTY WELFARE DEPARTMENT

Hon. T. L. Wells (Minister of Social and Family Services): Mr. Speaker, I would like to make a brief statement in answer to a question from the hon. member for Downsview regarding the Victoria county department of welfare and social services.

Due to suspected irregularities in the Victoria county department of welfare and social services, the assistant director and a field worker were suspended in February, 1971. A police investigation was carried out, and as a result the field worker was charged with fraud. This case was heard on June 24, 1971, and has been remanded to a date in December of this year. The field worker resigned upon request of the county at the time the police investigation was undertaken. The assistant director was discharged effective June 15, 1971.

On May 12, 1971, the county council asked the director of our department's municipal welfare administration branch to study and advise on the administration of the county welfare department. This investigation was undertaken and shortly thereafter the county welfare director submitted his resignation to be effective on May 21, 1971.

Our investigation has now been completed and a copy of that report was delivered to the county council on July, 1971. At the same time, a copy of the report was delivered to the chief of police of the town of Lindsay in order that the police may pursue any necessary investigation, and upon completion of it consult with the Crown attorney as to any charges that should properly be laid.

Further, Mr. Speaker, I am informed that a charge of fraud has been laid today against the director of the county department of welfare and social services.

Mr. Singer: By way of supplementary, Mr. Speaker, is the minister's department doing anything to assist the county of Victoria in the reconstruction of what seems to be a welfare unit that is in pretty substantial disarray?

Hon. Mr. Wells: Mr. Speaker, I would hope that the report which we submitted to them would help them in their restructuring and our department stands ready to help them in any way that the county council sees fit that we can help.

Mr. Singer: By way of further supplementary, is the minister or his staff initiating any joint meetings with Victoria county officials so that this reconstruction procedure could perhaps be expedited?

Hon. Mr. Wells: Mr. Speaker, they only received the report last Thursday, as a result of which further action has been taken; we are ready to meet with them any time the county wishes to sit down and meet.

Mr. Speaker: The member for Downsview has the floor for a question.

ADVERTISED STATEMENTS BY WHITEROCK ESTATES

Mr. Singer: Yes, Mr. Speaker, I have a question of the Minister of Financial and Commercial Affairs. Is the minister familiar with the full-page advertisements inserted in the Toronto press last Thursday by Whiterock Estates, and is he concerned with such statements in these advertisements as:

A little while back the activities of Whiterock Estates were reviewed by the government; a thorough investigation which we welcomed resulted in complete clearance of our operation and full permission to continue our sales of small parcels of land—

and the implication that would arise from that, that they are acting with government blessing in all of their actions, and such statements as "building permits—no time limit," which is not the prerogative of a real estate company; "septic tanks guaranteed," again not the prerogative of the developer; and "many lots located on roads"; without any remark or indication as to whether or not the roads are in or paid for, who will put them in or who will pay for them.

Hon. A. A. Wishart (Minister of Financial and Commercial Affairs): Mr. Speaker, this advertisement just came to my attention today when I returned to Toronto. We are looking at it to see what, if anything, should be done about it.

Mr. Singer: By way of supplementary: Besides looking at it, could the minister indicate whether either he or his officials are presently perturbed by the sort of things that I commented on and if they are going to take any action?

Hon. Mr. Wishart: Mr. Speaker, I think my answer encompassed that. We will decide whether we are perturbed when we have examined to see how far it goes. At the moment I am not prepared to say anything further than what I have said.

Mr. Speaker: The member for Thunder Bay.

LAKE ERIE CONGRESS

Mr. Stokes: I have a question of the Minister of Energy and Resources Management. Did the minister receive a copy of a summons to a conference called the Lake Erie Congress, sponsored by the Institute of Man and Science and the Great Lakes Institute? One of the things they are going to discuss in Erie, Pennsylvania, is reversing the flow on Canadian rivers. Is the minister aware that this is going to be a part of the agenda?

Mr. Shulman: They are starting with the St. Lawrence.

Mr. Stokes: What part is the Ontario Water Resources Commission or The Department of Energy and Resources Management going to play in that conference?

Mr. Lewis: Which rivers does the member have in mind?

Hon. Mr. Kerr: Mr. Speaker, the first thing I would ask the hon. member is never to say

to me, "Have you received a summons?" Just say a letter, notification; but a summons—you know I shake in my boots. Yes.

Mr. Singer: Come on! The minister issues writs like they are going out of style.

An. hon. member: The minister said he did not receive them.

Mr. D. C. MacDonald (York South): Why is the minister so fearful?

Hon. Mr. Kerr: I have had a notice of this conference, Mr. Speaker I have not really looked at its agenda. I understand that representatives from the OWRC will be there. I am sure that if there is talk about reversing rivers or water from Canada this will depend on a higher tribunal and a higher body for decision than this particular conference. I am sure that they are just exploring.

Mr. Stokes: As a supplementary, in the light of previous assertions and guarantees from both the OWRC provincially and the hon. J. J. Greene federally that no Canadian waters will be available for export until a complete detailed analysis has been made of our own present and future requirements, will the minister advise the United States authorities of that fact?

Hon. Mr. Kerr: I will make sure, as a result of the hon. member's suggestion, that our representatives make our position known at this conference. As I say, I am sure that no decisions that would be hard and fast would be made there.

Mr. Speaker: The member for Scarborough East.

OHC PRIOR INFORMATION ABOUT COMPANY DIRECTORS

Mr. T. Reid (Scarborough East): I have a question of the Minister of Trade and Development. When the Ontario Housing Corporation deals with a proposal by a company to build a project, does the Ontario Housing Corporation, the government, know the directors of the private company involved?

Hon. Mr. Grossman: I will get that information, Mr. Speaker.

Mr. T. Reid: Specifically, Mr. Speaker, if I might ask a supplementary?

Mr. Speaker: If it is a supplementary of the minister also to obtain, then it is in order.

Mr. T. Reid: Yes, it is. Has OHC a list of the 1971 directors—

Mr. Speaker: No; order! If the member wishes to ask the minister if he will obtain additional information—

Mr. T. Reid: Forget it.

Mr. Speaker: Right. The member for Sudbury. Thank you.

PROPOSED TAKEOVER OF ACRES BY SLATER STEEL

Mr. Sopha: I have a question of the Minister of Financial and Commercial Affairs. I would like to know whether it has occurred to him, his advisers in the department or the Ontario Securities Commission, that there might be certain serious and grave disadvantages to the shareholders of Acres Limited as a result of the offered takeover by Slater Steel, and indeed, to people in the investing public generally, arising out of the nature of that offer and the background of it?

Secondly, I should like to know whether, in light of the rather large trades that took place in Acres between June 11 and June 16 and the fluctuation of the stock by a considerable variation, whether the Securities Commission is making any investigation into the possibility of the illicit use of inside information by people in either of those two companies, Slater Steel and Acres.

Hon. Mr. Wishart: Yes, Mr. Speaker, the Securities Commission and my officials are fully aware of this and have made themselves fully informed about the two offers which have been made and of the outstanding offer, which I believe expires on the 19th of this month.

They have also looked at the trading of the stock and, in fact, the Toronto Stock Exchange has considered all matters relating to that. The directors' circular, which is required to be published, has been inquired about. That, I understand, will appear on July 8, which will give the details required by The Securities Act to be set forth in such circular. We are fully aware of this.

Mr. Sopha: By way of supplementary, I would like to ask whether that enthusiastic, aggressive and eager 28-year-old and that 26-year-old who run Slater, the president and vice-president respectively, were required to clear the nature of the proposed takeover with the Securities Commission before the offer was made to Acres.

I would like also to know how the offer was permitted, in light of the fact that these two individuals made two previous offers within the last six weeks at prices markedly higher than the price they are now offering to shareholders for one million of the 1,900,000 shares? How is it that that the minister's department permits that offer to be made, in the light of that background?

Hon. Mr. Wishart: I am not sure, Mr. Speaker, that that background is entirely accurate.

Mr. Sopha: Absolutely accurate! Gordon Sharwood told me this morning.

Hon. Mr. Wishart: I am not sure that that still makes it accurate. There were offers made for certain groups of shares.

Mr. Shulman: Like control!

Mr. Sopha: It was for control.

Hon. Mr. Wishart: But the present offer is to shareholders.

Mr. Sopha: Right; for the first time, at a lower price.

Hon. Mr. Wishart: At a lower price.

Mr. Sopha: How do you let these things happen?

Hon. Mr. Wishart: Mr. Speaker, I can only say that the facts are as I think I have already stated—the offer previously made was for a certain group of shares. This is the first offer to the shareholders at a certain price. The matter, as I say, is being completely examined by the Securities Commission and is in our hands for direction and control.

Mr. Sopha: On a point of order, I disclose that I own 100 shares of Acres preferred which are not affected by the offer.

Mr. Speaker: The member for—

Mr. Shulman: A supplementary.

Mr. Speaker: Yes, a supplementary?

Mr. Shulman: Inasmuch as this is the second time within two weeks that directors of a company have been offered more for their shares than the public—I am referring to the Northgate Tara affair—is the minister also looking into that? Was he given prior knowledge of that particular smelly affair?

Hon. Mr. Wishart: The answer to that, Mr. Speaker, is that if the hon. member will

look at the order paper, he will find I have amendments to The Securities Act; the bill on the order paper, I believe, does take care of that situation.

Mr. Shulman: A further supplementary: Does that mean that the actions until now are to go without any action being taken?

Hon. Mr. Wishart: The only action one can take at any time, Mr. Speaker, is that which is provided by law. There is no law so far, until this bill is passed, I think, which requires that the same offer be made to all shareholders.

Mr. Speaker: The member for Hamilton East.

LINEUP FOR H.O.M.E. LOTS

Mr. R. Gisborn (Hamilton East): A question of the Minister of Trade and Development: Could the minister say who was responsible for some 70 persons lining up seven days ago to acquire Home Ownership Made Easy lots when the advertisement was not known to be effective until today?

Hon. Mr. Crossman: Mr. Speaker, I was made aware of this on my return from out of town yesterday and I made as sufficient an inquiry as it was possible to make between then and this morning. I would think that there is some shared responsibility in this.

It is apparently because of the practice of OHC in bringing a trailer on the grounds before the actual sale is advertised. I have inquired why this is done. They say it is required to get the services into the trailer a couple of days ahead of time, but that sometimes this triggers off a rumour that sales are imminent.

In this particular case I am advised that it became apparent that a certain builder had advised some of his customers that it appeared this was going to happen and advised them to get into line. Because of this, one of our people, Mr. Goyette, has asked the builders to send a letter to those whom they had so advised, advising them that it was really no advantage to get into line because the number of lots which were on sale, or which will go on sale—apparently there will be about 213; I think that is the number I advised the House of in my announcement—could not go on sale immediately, really, because the price had not been agreed to by CMHC. It is a partner in this operation, and our people were awaiting an okay from

CMHC in Ottawa. Meanwhile, we are getting prepared for the application.

In the meantime, this lineup occurred and because of the lineup it was deemed advisable for us to advertise them immediately even though we still had not got an okay from CMHC as to the price. Actually I am advised that there is no advantage in lining up and getting your name on a first-come, first-served basis when there are that many lots available.

My first inclination was to advise our people to get out there in a hurry this morning, get everyone's name and address, and put them on the list in accordance with their position in line so that they would not have to remain overnight another night. But it was not that simple because there would also be an implication that these people had advance information and that this advance information might be of some advantage to them; and it was unfair to those who may be awaiting an advertisement. Because of that, we could not do that either; so the decision was to make the best of it and put an announcement in tomorrow saying we would take applications on Wednesday. In the meantime because of the inconvenience those in line had gone to, I think there were some 60 people in line for two or three days, we will take their names and addresses and perhaps give them this priority if it means anything to them.

But because of this I should say, Mr. Speaker, that the whole matter of doing it this way is under review. I would think, off the top of my head, that the best way to do this is not to have a trailer on hand at all, that nothing be done, not even a sign put up on the lot until we get an okay from CMHC; then put an advertisement in the paper, then a day or two later get your trailer on the location to take applications.

I do not think this is foolproof either; there is always the possibility of information like that getting out because of the number of people involved. But I am assured, because of the number available, particularly in this advantage in being in line because there apparently are not 300 people or 213 people immediately waiting to take advantage of the HOME plan.

However, those are the facts and I think we have dealt with it in the only manner any reasonable person could expect us to act under the circumstances.

Mr. Gisborn: By way of supplementary: The minister has answered two supplementary questions I had in mind—searching

for a new way to handle the situation and giving them a place ticket today so that they do not have to stay until Wednesday. I understand that is under consideration.

My supplementary question is: What is the total now out of the 20,000 promised in 1967? Has it moved from something around the 4,000 figure at the present time of the HOME plan?

Hon. Mr. Grossman: Mr. Speaker, is the hon. member just referring to the HOME plan lots? This new offering will bring to 566 the number of HOME lots offered in Hamilton. Would that be what the hon. member is referring to?

Mr. Gisborn: The total out of the 20,000 promised in 1967. What is the total now in the province?

Hon. Mr. Grossman: Where does the hon. member get the figure of 20,000 under HOME?

Mr. H. Peacock (Windsor West): That is what the minister's predecessor announced in August, 1968.

Hon. Mr. Grossman: I will not go into that. In any case my estimates will be beginning in half an hour. The hon. member can question the staff and all that information will be available.

Mr. Speaker: The oral question period has expired.

Petitions.

Presenting reports.

Hon. Mr. Kerr presented the 15th annual report of the Ontario Water Resources Commission for the year ending December 31, 1970.

Hon. A. F. Lawrence: Mr. Speaker, I beg leave to table the report of the Ontario Law Reform Commission on The Change of Name Act.

The commission undertook this particular study as a result of submissions made to it. It has now recommended that married women should be treated under this Act in the same way as married men so that the procedures will be identical in their application. At the same time, the commission has recommended that the requirement that an applicant be a British subject be removed and that the basis for jurisdiction should be upon the applicant's ordinary residency in

Ontario for one year immediately prior to making the application.

The government has just received the report and is considering the recommendations of the commission which certainly, at this stage, appear to have merit. However, there may be implications which should be considered and an opportunity will have to be taken to consider the report in its full detail before bringing forward any implementing legislation.

Sir, as well, if I may, I beg leave to table the report of the Ontario Law Reform Commission on section 16 of The Mortgages Act. As a result of a review which has been made by the commission, it is now recommended that section 16 of The Mortgages Act be amended so as to ensure that the purchaser of a home who assumes the burden of a mortgage will be entitled to the right to prepay that mortgage after five years from the date when it was created. This is a right—

Mr. Sopha: That is the law.

Hon. A. F. Lawrence: —which exists, of course, in most other mortgages.

Mr. P. D. Lawlor (Lakeshore): With no bonus?

Hon. A. F. Lawrence: This proposal arises from a concern that the purchaser of a home from an incorporated builder who had entered into that mortgage would not have this benefit. The commission has circulated this proposal most thoroughly in its review and before making its recommendation, and the government is taking its proposal under immediate consideration so that appropriate legislation may be considered in the near future.

At the same time, however, I do wish to have an opportunity to consider the implications that are inherent in the report before proceeding with any legislation for the consideration of this House. In any event, I believe it is too late in the session to introduce legislation of that nature at this time.

Mr. Sopha: You know, Mr. Speaker, my constituents talk about little else other than section 16.

Hon. A. F. Lawrence: Obviously the member does not know much about it.

Mr. Speaker: Motions.

Introduction of bills.

AGRICULTURAL REPRESENTATIVES ACT

Hon. Mr. Stewart moves first reading of bill intituled, An Act to amend The Agricultural Representatives Act.

Motion agreed to; first reading of the bill.

Hon. W. A. Stewart (Minister of Agriculture and Food): Mr. Speaker, as an explanatory note, the district and regional municipalities are deemed counties for the purpose of making grants to assist in carrying on the work of the ag-reps throughout Ontario.

RYERSON POLYTECHNICAL INSTITUTE ACT, 1962-1963

Hon. Mr. White moves first reading of bill intituled, An Act to amend The Ryerson Polytechnical Institute Act, 1962-1963.

Motion agreed to; first reading of the bill.

Hon. J. White (Minister of University Affairs): Mr. Speaker, the bill introduced, concerning the Ryerson Polytechnical Institute, would make several changes, one of which is that the Minister of Colleges and Universities replaces the Minister of Education as the responsible minister. Hereafter, the principal will be known as the president, and appropriate changes will be made throughout the Act. Thirdly, and most important, the Ryerson Polytechnical Institute is authorized to grant Bachelor of Applied Arts and Bachelor of Technology degrees.

DEPARTMENT OF COLLEGES AND UNIVERSITIES ACT, 1971

Hon. Mr. White moves first reading of bill intituled, The Department of Colleges and Universities Act, 1971.

Motion agreed to; first reading of the bill.

Hon. Mr. White: Mr. Speaker, this bill would change the name of the department. It would transfer the provisions for Colleges of Applied Arts and Technology from The Department of Education Act to this Act, and it would provide the capital expenses of Colleges of Applied Arts and Technology, Ryerson Polytechnical Institute, the Art Gallery of Ontario and the Royal Ontario Museum, which shall be financed by the Ontario Universities Capital Aid Corporation only on the recommendation of the minister in the same manner as capital expenses of universities.

ONTARIO DEVELOPMENT CORPORATION ACT, 1966

Hon. Mr. Grossman moves first reading of bill intituled, An Act to amend The Ontario Development Corporation Act, 1966.

Motion agreed to; first reading of the bill.

Hon. Mr. Grossman: Mr. Speaker, I have another bill which is complementary to the previous one. I will explain them both at the same time.

NORTHERN ONTARIO DEVELOPMENT CORPORATION ACT, 1970

Hon. Mr. Grossman moves first reading of bill intituled, An Act to amend The Northern Ontario Development Corporation Act, 1970.

Motion agreed to; first reading of the bill.

Hon. Mr. Grossman: Mr. Speaker, these bills are to give statutory authority to the policy enunciated in this House to provide for greater incentives for Canadian corporations.

Mr. Speaker: Orders of the day.

Clerk of the House: The 17th order, resuming the adjourned debate on the motion for second reading of Bill 80, The University of Toronto Act, 1971.

UNIVERSITY OF TORONTO ACT, 1971

(continued)

Mr. T. Reid (Scarborough East): Mr. Speaker, when I adjourned the debate sometime last week, I was pleased to hear the Minister of University Affairs (Mr. White) state that he was not wedded to the idea of non-parity between teachers and students in the Act that he had introduced into the House. I understand him to have said that the whole question of the parity principle would be open to discussion in the committee when the bill was referred to that committee.

I must say, sir, that on the one hand I welcome the minister's flexibility on this principle, and his willingness to hear the case put forward in committee by spokesmen from the university who believe that students and teachers at that university must have equal representation because they are equals within that particular community. However, I am somewhat surprised that a minister of the government would introduce

a bill which contained in it a denial of the principal issue at stake on the University of Toronto campus. I would have thought he would have made himself aware of that issue and would be ready to stand on the principle of parity if he believed in it.

It was because of the minister's statements last week, Mr. Speaker, that I was somewhat surprised to read an open memorandum by the minister dated June 30, 1971, entitled "Comments on Student Motions re The University of Toronto Act." I would gather that this came out after the minister made his statement in the Legislature that he was open to persuasion at the standing committee level on the question of parity. Yet in this memo that he issued, Mr. Speaker, he said with relation to motions 1 and 2 the following, and I quote directly:

Bill 80 proposes that the governing council of 42 include 10 elected by the teaching staff and six elected by the students. The 10-to-6 ratio is patterned on the 21-to-14 ratio adopted by the university-wide committee.

I do not know whether the minister knows what he has done here but he is quoting as the authority for his proposal of non-parity, the university-wide committee.

Mr. Speaker, to understand what I think is the minister's error in taking his recommendation on this issue from that particular group, it is important to have a little bit of history on just what the university-wide committee is. I will try to be brief on this, Mr. Speaker.

The university-wide committee was set up after the committee on university government, the so-called CUG committee, had made its report and from the beginning a number of people on the University of Toronto campus were split on whether there needed to be yet another committee to look at a committee's report on the structure of government at the University of Toronto. Many students believed that the CUG report—which was a unanimous report from a committee that had as its commissioners Dr. R. Bissell, Bernard Etkins, Stephen Grant, J. Hodgotts, Lawrence Lynch, D'Arcy Martin, Robert Rae, James Thompson, and Gary Webster—represented a melting down, after a great deal of thought, after 400 hours of meetings and well over 140 briefs and submissions, and that the CUG report itself was a compromise report. The students felt they had compromised in that report and that it was the final report on which the

reform of the University of Toronto was to be made. Robert Rae in particular, whom I happen to know, made it quite clear that the report was based on honest compromise with the best interest of the university in mind at all times.

In the CUG report, Mr. Speaker, the principle of student equality with teachers was an underlying principle. Because the CUG people representing the teachers and the students and the administration had that as their fundamental principle, they came out with the concept of parity between faculty and students in the top governing council of the university.

The students, by the way, Mr. Speaker, were asking for a different concept of democracy within the university. Just to get it straight, their starting point was really one of direct democracy, that the teachers and students are equal in the university. They are both part of the learning process and none is more equal than the other; they are joint partners in the search for knowledge and learning.

The students felt that the top governing council, certainly the faculty and student representatives, should be elected by all the students and all the faculty, each student having a vote and each faculty member having a vote. They believed, because of the concept of equality, that even though the vast majority of the voters would actually be so-called students there would be a number of faculty members elected by direct democratic participation; one person, one vote, with no distinction between whether they were a teacher or a full-time student in that case.

That was the position of the SAC when they went into CUG. When they heard the discussions and they realized that the only way they could get a unanimous report was to compromise and go to this concept of parity, whereby the number of student and faculty representatives would be split in half with the students electing half and the faculty electing half, they felt they had reached the level of a compromise based on an understanding. Then what comes about? The faculty members and some of the administrators manipulate to come up with yet another committee to study what was supposed to be the final report on the question of the reform of university government.

The point is this, Mr. Speaker, the university-wide committee then changed the basic concept, the basic agreement, the basic

compromise that had been reached in CUG and came out with a non-parity principle vis-à-vis students against the faculty members. I would like to read into the record a couple of comments from the students' view of the university-wide committee, so the minister will know when he uses the university-wide committee's recommendations to him, he must realize that committee is not speaking on behalf of the total community of the University of Toronto, that CUG was speaking both for the community, including the students and that the university-wide committee was not. Or to put it yet another way, the students at the University of Toronto accept the validity of the process whereby CUG made its recommendations, but they do not accept the validity of the process whereby the university-wide committee made its recommendations.

I think it is also important to point out to the minister, Mr. Speaker, that the committee on university government met for 400 hours whereas the university-wide committee met for three days. The CUG report was based on a thorough thrashing out, an understanding, between teachers and students and certain administrators at the University of Toronto, of the way in which the university ought to be governed in the best interest of the university as a learning institution; whereas I would say the university-wide committee was a power play by faculty to knock the students down.

In this last regard, Mr. Speaker, I think I should just put a few comments into the record. This is an article, a minority report from the university-wide committee, written by Art Moses who was on that committee and also a member of the SAC. Art Moses literally destroys, from a student's point of view, any validity that the university-wide committee has. This is what is in this report, Mr. Speaker. He says:

CUG was a compromise. It was unable to endorse the more radical perspective of university education which student CUG members had articulated, but it was an honest compromise, reached after a lengthy, honest, intellectual struggle among honourable men.

The resolutions from the university-wide committee were nothing of the sort. They were the product of unprincipled debate, lack of trust and incredible behind-the-scenes manipulation. Parity was rejected.

Another brief comment, so that the minister will know the university-wide committee is

not a credible or valid body on which to base his comments on the question of parity. When the university-wide committee was meeting, this is how Art Moses describes that debate. He says:

Then came the parity debate. Of all the proceedings it was the best example of unprincipled discussion. We had to fight to get the body even to vote on the principle of parity, and to show us whether they were prepared to accept us as equal members of the university committee.

He continues in a later part of his report:

That parity debate was perhaps symbolic of the unprincipled discussion which dominated the university-wide committee's proceedings. Faculty and administrators seemed to prefer to ignore the question of the status of students and they wanted to vote down parity in the secrecy of a ballot paper.

No doubt we will be getting into this more in front of the committee and the students will be able to state the case for themselves. But I just point out to the minister, I accept his forthright statement that he is still open to this question of parity and non-parity between the students and the faculty on the governing council, but I would say that his last press release here would—

Hon. J. White (Minister of University Affairs): On a point of order, Mr. Speaker. On a point of order if I may. I did not say I was open-minded on it. I said that the committee will have to make that determination. There is a difference.

Mr. S. Lewis (Scarborough West): Yes, there is. How much authority will the committee be given by the minister? That is the difference.

Hon. Mr. White: They will be given all of the authority to make this determination.

Mr. Lewis: We will see whether the change takes place tomorrow.

Mr. D. C. MacDonald (York South): Will the minister overrule it the way he did on the rest of the bills?

Mr. T. Reid: Let me just press the minister a bit further on this basic point, Mr. Speaker. Can the minister explain to me the difference between himself being open-minded and the committee being open-minded? If the members of that committee, including some members of the Conservative Party,

happen to become persuaded by the arguments of the people at the University of Toronto who argue in favour of teacher-student parity on the governing council and make a recommendation, or report back to this House I suppose, that the principle of non-parity must be done away with and the principle of parity must be included in this bill, will the minister accept the recommendation or not?

Hon. Mr. White: That is my intention, Mr. Speaker, yes.

Mr. T. Reid: Again, I accept the minister's statement at face value. I am pleased to hear that. We will hear further on this question at those meetings.

Mr. Speaker, I would like to turn to a couple of other principles in the bill which we think are good, and also those that we feel are bad. Before doing so, I would like to state simply what our position is on the parity question.

The position of the Liberal opposition is this: We believe there should be nine faculty members elected by faculty and nine student members elected by the students. We believe there should be an additional two more appointments made by the Lieutenant-Governor-in-Council.

The consequences of this are obvious. We will maintain the minister's principle that 50 per cent of the members of the governing council shall be from outside the university and 50 per cent shall be from inside the university. We would like to increase the student representation to nine from six and decrease the faculty representation to parity at nine itself. That is our position and I am sure the minister will mull that one over.

Another principle in the bill that we approve of is the government's belief that only Canadian citizens should be members of the council. I applaud this. I think this is a good step. I would like to ask the minister whether this extends to the committees of the governing council? Perhaps the minister could reply to that later. Does that principle apply to the committees as well?

Hon. Mr. White: I would not think so, Mr. Speaker. I think that will be unduly binding on the governing council. As the member knows, we have tried to leave the determination of this and many other details to the exclusive responsibility of the governing council. I myself would not want to introduce that particular constraint, I think.

I would like to explain the two types of committees that we envisage and—

Mr. Speaker: Order please! I think we should not get into a question-and-answer exercise at this time.

Hon. Mr. White: Perhaps we will wait until we end up this debate.

Mr. T. Reid: I would like to turn to another principle of the bill. The minister has stated in his opening address, and touched on it here, Mr. Speaker, that he felt that an important principle of the bill—I am paraphrasing—was that it did not spell out in a great amount of detail how the governing council was to order its affairs.

Well, I read this bill, and I have correspondence to support this, as laying out very specifically, in many areas, the way in which the council must operate.

I would like to turn to the whole question of committee to state that I think there are serious problems involved with the minister's inclusion in his bill of the principle of laying out details by which the committees must be governed. For example, I think the principle he has that 50 per cent of all the members of each committee must be members of the council will make it very very difficult for the council to be an effective body. I think the minister must know, and I hope he has read all the submissions he has received, that there seems to be unanimity among the students, the faculty, and even the letter he received from the University-wide committee spokesman, that there must not be so much detailed instructions in this legislation as to how the committees are to function.

For example, the letter to the minister from Robin Ross, who signs it as vice-president and registrar—it is a letter dated June 14—notes that the university-wide committee, on this particular issue as opposed to the parity issue, has expressed concern about the 42-member composition of the governing council, but also is concerned about the requirement in the legislation that at least 50 per cent of each committee must be from the governing council itself and—

Hon. Mr. White: That has been changed. The member will find that has been changed in the bill.

Mr. T. Reid: —and we can discuss this in committee. There is an important principle here, particularly if there is no shifting from

the non-parity principle in this bill, that if you want the students to participate really effectively in the committee structure it might be necessary—in certain committees absolutely necessary—that there be many more students on them than would be allowed by the restrictiveness of the minister's legislation in front of us. I think the minister is going to have to think seriously about the concept of spelling out in such detail the nature and composition of the committees.

The minister is very specific, Mr. Speaker, and not at all general when he discusses the executive committee of the council. Here again, there are severe reservations about the minister being so specific in legislation concerning the nature of that executive committee.

There is also a concern, for example Mr. Speaker, with the fact that the chairman and vice-chairman are virtually appointed by the minister. It seems to me that might be carrying the principle of public accountability too far, even after the first three years, I believe, to allow the council to elect its own chairman and vice-chairman from among the 14 appointed by the Lieutenant-Governor-in-Council. It seems to get very detailed and very specific, in terms of how that council is to operate.

I think the minister would be very well advised, in a sense, Mr. Speaker, to accept his own principle which he stated here, that the bill should be general in terms of how that council is to operate as opposed to being so detailed and so specific. I think we must allow this council to arrive at many decisions by itself after discussion rather than having the minister spell out in this legislation the principles of the operation of the council.

I think the argument I am making now would be strengthened if there was equal faculty-student representation on the council. I think that if the minister maintains the principle of non-parity between faculty and students in this bill, I for one would like to see additional safeguards included in it to ensure the students can participate much more effectively as opposed to simply having token representation. If the minister opts for the parity concept and increases the number of students on the council I think we do not need to be so specific in spelling out the operations of the council.

In other words I think they should leave the committee structure to be decided by the governing council as it will know the optimum mode of its own operation, to quote Robin Ross.

Another principle on the bill which we have reservations about, Mr. Speaker, is the principle of limiting the number of times a person may be reappointed to the council. To put the issue in a different light, we are concerned at the length of time a person could work on the council with a group of other people, thereby because of their prior knowledge having a great deal of influence over other people who are only on it for a year or so.

In other words there is a principle in the bill, Mr. Speaker, that although there is a limit on reappointment—that is to say, a person must stay out of the council for a year—this only happens after he has served, I believe, nine years. We are getting into a very important area of the politics of a governing body such as this. If it is possible for four or five people, say those appointed by the minister, to be on that council for nine years whereas students are elected for only one year and could quite possibly be re-elected for only two or three years, because of the accumulation of knowledge about what the council is doing and what the committees are doing, those who have been on it for a considerable length of time tend to have a disproportionate amount of power simply because they have been around longer.

Again, I think the concept of limiting the appointments and even the time limit itself is of critical importance, particularly if there are only six students on the council, because they in particular tend to be on the shortest length of time. In fact, Mr. Speaker, the bill states they are elected for one year only, whereas everybody else gets on there for two, three or five years, if I remember the bill correctly.

So again, in terms of the internal politics of a council such as this, I think it is necessary for the minister to be aware of the implications of having effective limitations on some people and not having time limitations on others.

I would suggest that if a person has served for four years he should stay out for a year, unless, for example, he was the chairman himself or a member of the executive committee. But I think it is very important to realize what the effect of the present legislation will be in terms of making it much more difficult for the six students to have an effective voice on that council.

So that is another principle, the principle of reappointment and time limit, which I think the minister must re-examine. Just in

passing I would like to ask him why there is a limitation, when students are re-elected for one year only, whereas no one else I think is subjected to that limitation?

There is another principle in the bill, Mr. Speaker, and it has to do with the whole conflict of interest problem, and I notice that, in a sense by omission, the bill does not include this. I will just be brief on this.

The bill proposes a council of 42 people who will be trustees of enormous annual grants of the taxpayers' money, trustees of large parcels of public property, trustees of some business establishments and also of many private benefactions and trusts. Of these trustees, 18, including the president—at least 18, because the president appoints other people—will be staff or students, who are all financial beneficiaries of the trust. I would like the minister to think about the problems inherent in this.

I am not not arguing that we exclude teachers and students from the council at all. I am saying that perhaps there ought to be something in this bill about certain matters. I do not know how to do it. The minister has probably tried to grapple with this problem.

But it seems to me that if that council, for example, is voting on research grants to a certain institute in the university, and there happens to be a member of that research institute on the council, then I think that person should not vote on whether his institute gets that appropriation from the public fund. I believe he should have the right to talk about what his institute is doing, but I am not sure he should vote on the appropriation for his particular institute.

Of course the really horrendous area of conflict of interest—I am talking about direct financial problems really, Mr. Speaker—is the whole question of salaries. Here again, I think the minister should talk to someone about this, perhaps even the faculty association at the University of Toronto, and ask them whether they, first of all, think there is a problem in having the faculty members on that council, which would be voting salary increases, being involved in those votes.

Here is an area which is very difficult and very sensitive, but I think as trustees of the public's money here we must be aware of that particular problem.

I have a couple of other comments to make on this reading, Mr. Speaker. One of the big

issues at the University of Toronto has always been the openness of meetings and the availability of information arising out of the openness of those meetings; and I know the minister believes that the universities must be more open with their financial accounts and so forth. I was wondering whether the principle of open meetings should be incorporated in this legislation or not. Mr. Speaker, it does not mean that every meeting has to be open. What it would mean is that there would have to be a motion to have a meeting in camera, if you like, rather than having the meetings closed unless there is a motion to open them up.

Mr. Speaker, to conclude, I would like to repeat the point I made in opening these remarks, that the principle of the bill that establishes a unicameral system of government at the University of Toronto is an excellent principle, and in that respect we in this party support this bill, because that is the key principle of the bill.

At the University of Toronto—as the minister well knows—decision making has been bogged down, committee reports are not being acted on. For example, the report on Hart House, the report on undergraduate studies and so forth. Decision making has virtually come to a standstill at the university in many many areas because of the feeling that the present decision-making structure is not valid in the eyes of too many people at the University of Toronto.

So it is absolutely imperative that this bill be passed and that people at the University of Toronto know the terms of reference within which they can make decisions. There is an urgency to this bill, I think, at the University of Toronto. I think this bill must be passed, and I think the principle of unicameralism is a first-rate principle. I point out to you the two most serious flaws in the bill are, first of all the question of teacher-student parity, which I think is absolutely key if there really is to be a community of learning and scholarship at the University of Toronto, and by the way checks on abuses of students and student checks on the abuses of teachers.

Secondly, I think it is very, very important that the 14 people appointed by the Lieutenant-Governor-in-Council—in our case the 16 appointed by the Lieutenant-Governor-in-Council—be from a very broad base from within the community, and I think that in this bill it should be written in that at least two of those people should be *ex officio*. One for sure, I think, should be the mayor of the

city of Toronto or his representative from council; and secondly, I think the president of the local community association around the downtown campus. I think those people should almost certainly be *ex-officio*.

I think for the others there must be some system which removes from the public mind, or from the minds of anyone at the University of Toronto, that the people appointed by the Lieutenant-Governor-in-Council are there by virtue of their friendship with a particular political party or with a particular minister.

And therefore, as I suggested last week, I think the principle should be incorporated in the bill, Mr. Speaker, that some mechanism such as the standing committee on human resources recommending to the minister 30 to 40 people from whom the minister can choose anyone he likes, or the Lieutenant Governor may choose anyone he likes, would be an excellent way of maintaining the credibility and the effectiveness of the people appointed by the Lieutenant-Governor-in-Council.

But as long as those 14 people are virtually appointed by the cabinet of the province, representing a single political party; and as long as the chairman and the vice-chairman must come from those people, I think the question of the credibility and the validity of those people could be seriously undermined unless there was a cross-check against the appearance of political patronage in these appointments.

With those remarks, Mr. Speaker, I would like to conclude. Thank you.

Mr. Speaker: The member for Lakeshore.

Mr. P. D. Lawlor (Lakeshore): Thank you, Mr. Speaker.

The bill before us is an attempt to launch a new experiment in the structure of university government in this province. It is dispelling the warp and woof as it presently exists, and as we have very often contended it is dispelling the incubus of the governors of the university, men who, however well they may have served in the past, have not the academic qualifications, by and large, or at least do not have to heart the curricular life and the whole life of the university. They were appointed primarily on a monetary and financial basis of being businessmen and having business acumen, because the universities were relying largely upon private funds in those days, to conduct an investment portfolio and whatnot, a way of life in the university that met its budgetary needs. That age has passed. Ninety-five per cent of the funds

coming into universities now are from the public purse and therefore the public realm has an immediate, direct and substantial interest in how universities are run.

We then come up against the principle of autonomy in the universities and how we can square the fact that in 1955, I think, \$26 million was spent at the University of Toronto, whereas this year \$125 million in operating budget is being spent in the great swelling, the changed contours of life at the University of Toronto as it has come to be.

And so an age has passed and we are beginning a new experiment, as I say. The unicameral concept, therefore, is up for grabs. There is not that much determination. We do not know how well it is likely to work. When the minister has imported into his legislation that the whole matter may be reviewed after a five-year period, I think he could take under close scrutiny the possibility of doing it after three years, since the matter is so empirical, so indeterminate and really so hazardous in its intent and operation as to just how the thing may progress. The minister may be open to that kind of suggestion; I suspect he is.

In other words, I say there should be a foreshortening of time in order to have another hard look at the new principle to be determined here. I am not so convinced personally that the unicameral concept will catch on across the province. This may very well be a precedent in some cases, but one is struck in the private bills committee of this House—and half the universities in the province are still under private bills and the other half under public—that they are local and peculiar conditions. The way they have grown up does not, by any stretch of the imagination, necessarily bring them into accord with a unicameral setup. On the contrary, I think many of them are well satisfied with the two-tiered notion of the university and are operating at this time satisfactorily under that particular aegis. Well, so be it.

The problem then, leaving aside incidental matters which we can take up tomorrow morning or whenever we get into committee on this matter—for instance, in the definition of the teaching staff, there are all kinds of thorny little problems there as to whether lecturers ought to be in one camp or the other. Just let me comment on that: In one way it is possible, it seems to me, that an option ought to be given to, say a graduate student who is lecturing, who does not know quite which camp he finds himself in, to vote

on the side of the student body as a student or to vote as a member of the teaching staff. He would have to determine which way he would go, conclusively one way or the other. That would probably obviate that peculiar and that particular difficulty.

The main problem here has to do with constitution of the governing council. The minister has made it rigorous and mandatory that at least one-half of that council should be from the lay community and I have not heard a great deal—I have not heard any, as a matter of fact—objection taken to that, which I consider as the heart of this particular bill. It seems to be in all our minds that in one way or another that ought to be the case, because of the impact of the public realm at this time on universities.

Lord knows it is going to depend upon the quality of person who is appointed, the 14 members or the 16 members, and how wide a diversity of human beings, and how vigorous, what kind of people they are in the community, whether they are stormy petrels. The minister, I am sure, is not afraid of such individuals, and rather, as a matter of fact has some penchant in that direction. But at least people who are not yea-sayers necessarily, in the wrong sense of the term, who are conformists, who are perpetually receding from competition with issues, but people who are forthright, widely cultured—not just businessmen, but people with the feeling for the life, of the intelligence, of the mind, with a notion of what the vigorous life and the community all around them is about. With a sympathy, if you will, towards change as such; not running towards it, but not afraid of it either; a willingness for adaptation and flexibility.

This is the image the minister tries to create for himself in this community and this would be the naturing of his appointments, but two weeks from today it is possible, lamentably perhaps, that the minister would not be in the position he is and we would have to forfend against the somewhat more Neanderthal, torpid intelligence who could very well load the governing body of the university, so far as the lay representation is concerned, with people who are equally obtuse.

That possibility must be conjoined with another factor. However we play the numbers game in this matter—and I for myself am leaving this up to the committee tomorrow morning, on the representations made as to how the representation according to

numbers will fall out. It will depend partially upon the eloquence, I suppose, or the forcefulness of the contending parties before us.

But I have a further reservation about faculty. During the three days of debate that took place on June 1, 2 and 3 of last year at the Macdonald Block, with a very wide representation of student body, faculty and alumna, as to what the constitution of the university ought to be, the tendency, throughout the 11 votes that were taken at the end of that three-day encounter, was for faculty to take a position of supersession. At least, to accord to itself a larger number of faculty members in representation than lay, for instance—or, for that matter, almost invariably, than for students.

The feeling is that the faculty are more endemically allied and united to the life of the university, know more about it, are more committed to it, it is their whole lives. They feel, therefore, that they ought to have a greater voice, a greater role to play in the determining of the internal life of the university.

I am standing here today to reject that principle. I think there is an opposite current also present and quite possible in this particular context and that those who have vested interests in institutions are altogether too likely to accept the prevailing mores and the status quo and their ongoing conformities and their comforts that they have achieved.

There is not the flexibility and the vitality that should characterize institutions—and must characterize them if they are not to be centres of storm in our society. People who are entrenched lose the facility and the faculty for adaptation. We know that in the case of some governments, do we not?

With that particular concept in mind, it seems to me a rooted conservatism. I have not seen the faculties of universities showing splendiferous intellectualism—the odd Marcuse, whom we have to put up with, does speak out in the vein that he thinks is in line with intellectual freedom.

Mr. E. W. Sopha (Sudbury): Why would the member say that we have to put up with him?

Mr. Lawlor: What happens with the Governor Reagans of this world? They see that they are dismissed from their role—

Mr. Sopha: I prefer Marcuse to Reagan.

Mr. Lawlor: —at the university and the men who are engendering spirits of the society, the imaginative ones, are cast out. This is the danger, that anyone who is prophetic, anyone who is typically critical of a society, faces the pariah possibility all the way around. Most of those throughout history who have taken the stances which have lanced society of its wounds and dispelled the boils have ended on crosses or drinking hemlock or performing other ritual acts of their own destruction.

With that particular thing in mind I prefer, therefore, to go for the parity principle in the representation. I think that the students do represent—however Don Quixote-like, however taken up with utopian concepts if you will—nevertheless, they are the idealistic and imaginative and creative people who are the oncoming force of the society. They are the ones that will stir them up and keep them alive and point out their faults. They will not feel they have an entrenched position in society which they may lose, or that they may lose their prestige. They have no prestige to lose or position to lose. Their property rights are not in danger because there is no property involved; thank heavens!

So they are free individuals, at least at that point of their lives. They are free to speak and think independently. They must have a central and focal voice here to keep the rest of the birds honest. And so we are going to, in this party, make very strong representations on behalf of the student body. We want them represented right along with faculty to the fullest possible extent—at least full parity.

As for the lay representation, speaking for myself personally, I do not think there is anything wrong in its equality of vote. At least let us test it and see how it works out and which way the people tend to fall in the actual voting procedures and what comes about in that particular role.

I think three years are plenty of time, as I say, in which to make that particular determination. I am very interested in reading the remarks of the university-wide committee and the point-by-point résumé of its various potentials. I would like to read three decisions into the record, and then comment upon them.

A decision has already been taken to divide proposal No. 7 into two parts. We will come to what that is about.

In a straw vote on part 1, the UWC rejected by 63 votes to 56 the principle

that faculty and students together form a clear majority on the top governing structure. There were three abstentions.

In other words, the university community itself, by a narrow margin albeit, nevertheless went for the business of the representation. And so I say, the issue seems to be somewhat out of contention. Secondly:

It defeated by 60 votes to 56 the principle that students be given equal representation with faculty. There were six abstentions.

Blessed be those who abstain, because their hearts are in the right place but their minds are addled. But if they had voted, it pretty well may have been the other way, but that is the principle that I have just jettisoned. No. 3:

The UWC took a further straw vote on proposal No. 8, rejecting by 101 to 13 the principle that a majority of members should be drawn from outside the university.

And so you can see the ingrown character in the event.

I just wanted to make a comment. A man, who in other circumstances has proved a somewhat forthright, incisive and brilliant mind in our community, has said some rather curious things which causes me pause and which I would like to bring before the minister and you, Mr. Speaker.

Professor C. Brough Macpherson urged acceptance of the formula which proposed 10 lay members, the president, five presidential appointees, 25 faculty representatives, 15 students.

He asked the meeting to accept the validity of three principles:

1. That the faculty, including academic administrators, should comprise at least half of the top governing structure.

You can see the way in which great spirits go awry. Here is a fellow who knows how to scuttle the society and knows its vulnerable spots and has written brilliantly on law and on Hume and on social contracts and rights, and really put them in a context you know. But here Macpherson is saying that the community of scholars, that mythological entity which I suppose existed once about the time of Duns Scotus and disappeared rapidly since, ought to be in complete control of its own regimen.

2. That the law component should be no larger than is needed to enable it to perform a watchdog function on behalf of the community outside.

And he does not spell out exactly how many heads Cerberus happens to have, but the 15-headed Hydra that the minister has imposed upon it is certainly running contrary to the principle, as he puts it, of the professor.

3. That students, as members of the academic community, should have more places on the governing council than lay members.

Well perhaps, but I do not think we are ripe for that yet. As long as they remain in equivalence to the faculty representation I think we can launch upon the experiment as it stands.

There is another area, and it was brought to the minister's attention by the hon. member for Scarborough East I think it is, about the possibility of an internal conflict being generated inside his legislation. Let me put it this way, the minister's legislation as it presently stands has 22 sections, whereas the previous University of Toronto Act—the one that is being replaced—had 129 sections. It can only mean that in one way or another the minister has encapsulated in this legislation a great deal of matter that previously existed here in some form.

The only way, of course, one can do that is by way of generalization. You have to make not necessarily vacuous statements but certainly somewhat vague and general statements covering an awful lot of ground in order to wipe out and whittle this down to a sixth of its previous bulk. The minister has left out a number of things in the course of doing this.

One of them would be where are the powers over the disciplinary life of the university? How is faculty tenure to be treated within the confines of this new legislation? How are civil rights as a whole to be guaranteed, to be enforced, to be given efficacy within the terms of the legislation as we presently have it?

There is nothing about that. I feel it is something of a hiatus, you know, particularly in this day and age, and in an Act that has some pretensions of the progressive lure, to have omitted apparently with deliberation aforethought those particular facets. As you know, in The University of Toronto Act there are five or six major sections on the discipline powers within the university.

I am wondering: In this particular context, we put through some legislation last week in this House—Bills 53 and 54 having to do with the internal procedures of tribunals and administrative bodies; the

McRuer recommendations and the safeguarding of civil liberties on questions of cross-examination; questions of proper notice; questions of being able to appear with or without counsel.

The whole question was mentioned by the previous speaker with respect to open or closed in camera hearings. How are these to be conducted? We get no indication from the minister's present legislation as to what the purport of that is or what is the weight he attaches to these matters.

Again, liberal institutions with liberal learning ought there not to be a little liberality touching the very human rights and freedoms which are supposedly guaranteed by the constitution, or in any event are embodied in legislation passed in this House within the last fortnight? There is nothing of that. Again it is a grievous fault written into the heart of the bill.

I would like the minister to indicate to me whether or not he thinks that within the internal structures of the university these two basically procedural items—you know McRuer, the saint, says that all civil liberties lie not in substantive matters but precisely in the interstices of procedure, and where procedures override human liberties that is where the real crunch comes in governmental apparatus.

I would ask the minister to take under consideration that particular fault or lacuna in his legislation.

There are a number of other points of some significance in the legislation but not of great major import. Namely, for instance, whether everybody on that governing committee ought to be a Canadian citizen. We have a considerable number of American professors who have been here for some period of time, many of whom—

Mr. Sopha: How about handing them a bible and asking them for an oath of allegiance?

Mr. Lawlor: I am suggesting that—

Mr. Sopha: That is what the Americans do.

Mr. Lawlor: I am suggesting that if they indicate their goodwill by way of affidavit or by way of some form of submission to the university council that within a period of time, say three years, they intend to establish themselves as Canadian citizens and make an immediate application for citizenship, they ought not to be automatically excluded from

this body. Many of them are performing vital functions—

Mr. Sopha: It is not an unreasonable requirement that people should be citizens. The member and I are.

Mr. Lawlor: I see no reason for excluding a number of people who are the vital lives of universities, and some of them are the most militant people among us, that basis—solely on some kind of lip-service to McRuer and to the McRuer principle. I would ask the minister to have an open mind, despite the member for Sudbury. Under the fumes that he has to exhale up in that part of the world, he is so obfuscated and intoxicated by them that his thinking process has dimmed of latter date in this House.

Mr. Sopha: Would the member say debilitated?

Mr. Lawlor: I would advert—would I say what?

Mr. Sopha: Debilitated.

Mr. Lawlor: No, I would only say senility.

Mr. M. B. Dymond (Ontario): The member for Sudbury means exhilarated.

Mr. Lawlor: Is the member for Sudbury going to be speaking—

Mr. Sopha: Will the member for Lakeshore get around to something important?

Mr. Lawlor: —so that I can get equal time?

On the business of tenure, I would like to determine from the minister precisely how he feels that that particular area of safeguarding professors from dismissal is being safeguarded in the terms of the present legislation? Surely he has taken it into cognizance and has reviewed it with his staff? There must be an answer to it.

I would trust that the answer would be that all those matters as they presently exist and are extant within the university community remain so, and nothing is changed in this particular regard and that these people need not have any fear of instant dismissal or having demotions or their very jobs at stake. I would like the minister to go further on that in order to justify that within the term and context of his legislation as it presently stands.

There are two other matters of some importance. One is precisely what the role of the president of the university is going to be;

and the second one has to do with the executive committee. Now whatever may be the fallout of events in this legislation, the situation up to now, both with respect to the board of governors and the senate of the university, is that they have been powerless with respect to the degree and weight of representation coming from those most immediately affected.

The senate has ameliorated itself over the past few years; but in no instance, at either level, has the full democratic impact been felt and the safeguarding of individual positions been maintained.

What we are a little afraid of here is that the executive committee, as it is presently constituted, will be the tail that wags the university dog and, with the role of the president conducting the affair so much behind the scenes, that in the long analysis nothing fundamental will be changed.

That is a fear, I think, that has been obviated to some extent by the very fact that on the executive council we are going to have representation from the teaching body, two out of the 10; one student will be nominated from the members elected by the students; and the representation of at least three out of the 10, if we have any faith or confidence, either on this body or on the governing council, the people who will be sent to represent their various constituencies will be people independence of mind, will be people who will be forthright and stand up, who will have no reason in the world to think that either the faculty and a fortiori the student body will be in any way intimidated by the corporate elite if they stand their ground.

When these matters are pushed off to committees, when the committees are formed, then their representation should be fully granted and acceded to when each of the committees is formed.

I have one word of caveat to the university community. The intent of this legislation, as I understand it, is a thorough revision, root and branch, of the existing structure. It is not a new structure laid upon an existing committee apparatus. This must be well understood. There are perhaps too many committees at the university at the present time. Perhaps the representations made before the recent changes in this legislation, namely before the recent changes in the last week, it was mandatory that a majority of the lay representatives on the council be on every committee. If that were the case, then of course the numbers of the

membership of this committee being 42 would not have been half adequate to cover even a streamlined and efficiently conducted committee system within the university, much less the fairly heavy hand of an overloaded system that they have at the present time.

They must revise their committees. What this Act has done now is to say that a major—not of the lay members but a majority of the members who belong to the committee across the board—must constitute the committee. And surely the principle, it seems to me—and this is a further step that the minister has gone in the last fortnight—is that some powers and some responsibilities are delegated out to the committee, on which the committee may make a determination if the governing body so says, that provided that that is scrutinized with considerable care, there is certainly nothing wrong in principle with that.

At any rate, if the professors want a particular place in the parking lot, or certain amenities in their offices, surely the whole bargaining body is not going to sit around and talk of the jealousies and the internal bickerings of the university professors in these minor amenities. Some committee ought to have that power.

When it comes to more important matters—the determination of curriculum or promotion or disciplinary matters, salary—have we not got sufficient confidence in the university community, the supposed intelligentsia of the society. It is true they very often lack horse sense as compared to us legislators, but by and large I am prepared to grant them that much acumen that they may determine internally what is important and what is not important in terms of the internal life of the governing council; except in one area, which again the hon. member for Scarborough East spoke about, and that is the business of salaries and benefits to accrue.

Ought that not to be on the recommendations of the university-wide committee itself? Ought that not to be hived off in their recommendations? They themselves argue that there may be something invidious about it, some conflict of interests created if the professors, seeking a raise in pay, also had that under their own deciderata and were voting on this matter. This is an area where perhaps lay representatives alone, or perhaps with the students and the alumnae, could have an independent role to play and make its recommendations back to the parent body on that particular area.

Now a great deal of conflict arises out of the conflict of interest, because the argument has tended to go the other way.

It comes down to this; that they say if you do that, if you have taken this particular determination of a financial responsibility into the lay community, you are really re-constituting the old system again, and re-asserting the previous role of the board of governors and that that ought not to be accepted. But Professor Stephen Dupre moved a motion on that occasion, after somewhat prolonged debate. That motion said that this precisely should be done—that members of faculty who are themselves the beneficiaries of the proposals ought not to sit on that committee. It was moved and it was adopted by the university wide committee. This goes some distance, you know, to making a forceable case in this matter to which I would ask the minister to give good thought. If he does not agree, then I am certainly most interested in learning his rationale as to how he would justify that particular ingrown and implicit difficulty within his own legislation.

There are many, many points that can be brought to the fore, but the bulk of these matters I think can be better handled in the give and take and the thrust of the committee, which I would hope would take place tomorrow morning. Then we can bring numerous other matters which have been submitted to us as opposition members, and I am sure in the 125 briefs to the minister as to how modifications may take place and should take place within the general overall structure.

The several points that I have mentioned seem to me to have some weight and bearing and may result in some alteration of the Act. May I just finish by saying that I have been speaking this afternoon for myself alone. I cannot vouch that my colleagues are all completely in accord with me, as perhaps members will discover very shortly. Some of them have very strong reservations and put some of the points that I have made and others somewhat more trenchantly than I have attempted to put them.

Mr. T. Reid: Is the member not a member of a political party?

Mr. Lawlor: We are a very democratic group over here.

Interjection by an hon. member.

Mr. Lawlor: Yes, if necessary, on occasion certain independence of mind must assert itself on university committees and in political parties. I wish to state that I shall reserve my final position until I hear this debate out and the minister's reply and so, as they conduct themselves—

Mr. T. Reid: How is the hon. member going to vote?

Mr. Lawlor: I have not decided.

Mr. Sopha: Mr. Speaker, this is a very important bill and deserves a thoroughgoing analysis by the Legislature.

For one thing, the University of Toronto is, in at least two important aspects, a very towering and a very influential institution. Firstly within this city, where it exhibits tremendous impact upon the community, and if one may borrow a biological analogy it became an institution which, likened to some living organism, developed symptoms of something like elephantiasis as it, in a very aggressive way, expanded its bodily structure to continue the analogy to the east and the west, the north, scarcely to the south, in the expropriation of land abutting it. I am told that away back in history at the time it was founded, or King's College was founded, in the early 1840s, it was thought that the institution was well out of town. It was a day's or half a day's stagecoach ride from the business centre down at King and Simcoe Streets. You remember the four corners of those days—salvation, education, there was a pub on the other corner called damnation, and oh yes, legislation. Salvation, education, legislation and damnation marked the four corners of that important intersection.

It was thought that by putting that university up here that it was well enough out of town and that adequate land would be available for its expansion. I am told, and I will be corrected if I am wrong, that at one time it owned all the land from Yonge Street to Spadina and over the years divested itself of much of that land, with the result that since the end of the Second World War it has been buying the land back at horrendous prices, using sometimes its powers or the threat of expropriation. So one can see that the governing powers of the university were not always endowed with Grecian perspicacity about the future of the institution.

In one way it is perhaps among the most important institutions within the borders of Metropolitan Toronto, and on the other hand its prestige among North American univer-

sities is very high indeed. It is considered throughout the continent to be a place of great learning where many people of great ability and knowledge within their disciplines hold chairs. It is considered to be a very aggressive institution in the field of research, and particularly in the physical sciences.

I, sir, have the honour to be an alumnus, a graduate twice. I graduated twice from that university, not because I was endowed with any particular obtuseness but because I took two degrees and attended there six years and during that time helped Sidney Smith a little bit in running the institution. He was a remarkable man.

Hon. Mr. White: This is a remarkable contribution to the debate, too.

Mr. Sopha: Throughout the years of his leadership, he did not have the problems, whether through his own skill and his own personal qualities, that Claude Bissell encountered during his stewardship as the president of the university. But Sidney Smith had many many fine qualities and was endowed with a brilliant mind which might be likened to a steel trap on many occasions. I say that with a fondness about him and admiration for the part he played in the life of this country.

Now this thing must be approached from a historical vantage point. I do not intend, like the two previous speakers, to let the present minister off the hook easily, because this principle of representation on the governing body in section 2 of the bill has a legislative history. In order to appreciate its significance and the way it stands now, one must look at the historical development and the metamorphosis of this minister and the part that he has played in the emergence of the principle of student representation. Neither the member for Scarborough East nor the member for Lakeshore was here in the spring of 1967 to see the active role played by this minister when he was a lowly member, the altar boy of John Robarts and occupied the seat of London South and rolled his own cigarettes in those days, before he aspired to the dizzy heights of occupancy of a seat on the cabinet council.

Mr. MacDonald: That was before he was campaign manager in Middlesex South.

Mr. Sopha: Let me put the principle in this context. In many ways, elements in this Legislature that have been here for a number of years have been far more progressive, far more reformist-minded in univer-

sity government in this province than many of the people who occupy the pews of the mighty over at the University of Toronto—in many ways they have been.

The first emergence in the public domain of Ontario of recognition of the vital and responsible role played by students in university government was right here in this Legislature in 1967. When the matter first came up in relation to a bill introduced, albeit you will be interested to know, in this House by the member for London South. That bill went to the private bills committee; a strong delegation of students attended, very keen-minded and very intelligent young people—far more intelligent than the academics that came that day.

Their arguments were much more attractive, much more reasonable, much more plausible, and as a result of the deliberations of that committee, in short, the University of Western Ontario bill was amended on motion by the Leader of the Opposition and this is part of the principle. One must see it in its historical context.

Clause (f) of subsection I of section 11 of the bill was struck out by the committee—and this is the governing council of Western—and the following was substituted:

One member elected by the student body in a manner to be determined by the University Students' Council, in consultation with the Society of Graduate Students.

Now, what was so stirring about that principle that students should elect a student? It seems to be in accord with ordinary notions of democratic expression.

Well, that is the way the bill emerged from the private bills committee, opposed all the while—the private bills committee—by the member for London South, the sponsor of the bill. And such people, you will be interested to know—or yes, a brilliant mind, another one of the Premier's altar boys at the latest convention; Ward Cornell, the television personality of Hockey Night in Canada fame. He was president, I believe, of the Alumni Association of Western at that time. He opposed it.

I remember very strikingly, a professor—I think he was in the humanities, the head of the faculty, I am almost sure—stood up in committee room No. 1 and had the nerve to look us in the face and he said: "You must not interfere with the structure of this body. We know what is best for the students. You must leave it to us. We know what is best." That is what he said.

Well the bill emerged with student representation. One at Western. When it got to the House it fell on evil days, I say to my friend from Lakeshore. The Minister of Education (Mr. Davis) of the day, now the first citizen of Ontario, when the bill came in here for the committee stage he moved an amendment and here is the amendment. Clause (f) that I have read to you, was amended by motion of the government to read this way:

One member elected by the student body in such manner and on such terms as the board may determine after consultation with the elected representatives of the student body who shall be either the holder of a degree, which may include an honorary degree from the university, or a former member of the faculty, and such member shall not, at the time of his election, be or have been within the previous 12 months a member of the student body or any of its affiliates, but may be enrolled in a post-graduate course in any other degree-granting institution.

That is the way it passed into law and the Lieutenant Governor gave his assent to that.

Mr. J. Renwick (Riverdale): The minister wants us to think he has changed.

Mr. Sopha: Somebody down in committee, and I hate to use the analogy he used—I really do—but to make the record complete I must tell about somebody down in the committee, a Conservative member, when he heard that, he said: "That is exactly the way the blacks elect their representatives in South Africa." He said: "That is apartheid."

This minister, when the government-mind you, this amendment passed in the private bills committee with the support of several members from the governing party—that day, when it was moved by the then Minister of University Affairs, this minister voted for the change. Now before going too far I want to tell you, Mr. Speaker, that I believe in conversion. I believe in partial conversion, because that is what the University of Toronto bill is. It is partial conversion, not the baptism of John the Baptist where they go whole hog with total immersion. The minister is sort of putting his toe in to see how the water is. That is as far toward salvation that the minister is going, when he writes section 2 in the way he does, allowing for partial, inadequate representation of the student body.

We believe in parity. We believe in equal representation with the faculty. We see no dangers in it. I announce some credentials to the House when I say that I have been for the last several years a member of the governing body of Huntington at Laurentian, a church-affiliated institution. This year, this Legislature passed a bill setting up the unicameral system where we have accorded representation to four students.

Hon. Mr. White: "Just for a handful of silver you left us; just for a ribband to stick on your coat."

Mr. Sopha: I recall when I chaired the committee of revision and renewal at Huntington last year, we sat through all the winter—

Mr. Lawlor: The member is quoting Browning at the minister. He had better be careful.

Mr. Sopha: —and toward the end when we got down to the draft of the bill, I said to the students, "How many representatives do you want on the governing body?"

The president of the students' council said, "Three."

I said, "You are too modest. How about five?"

All the lay members were completely in accord with the maximum representation according to the students' desire. Nothing earthshaking has happened in allowing students to get through the door. There are elements of the Neanderthal, the Cro-Magnon, the Paleolithic, the Australopithecus in the community who think that a veritable Armageddon occurs if you allow students to have part of the decision-making process.

I do not find as much wrong with Marcuse as apparently my beloved friend from Lakeshore does. I am struck by the fact that in almost every area of contemporary life the young are entitled to take an objective look, an analytic scrutiny and to say to their elders: "You have failed. In just about every area you have failed. Give us a chance for a change."

In this century the young are not unmindful that their elders have managed to kill more than 50 million of their fellow species in this century alone by violence. The young are aware of the widening gap between the behaviour of their elders and their rhetoric. The young are aware that their elders have had an absolutely obsessive passion for doing joyless things. They have been motivated by

the work ethic and its rewards—broadloom wall to wall, the second car, the fancy set of golf clubs, membership in exclusive pluralistic associations. But the young have rejected much of that. It is no surprise to me that on the campuses of the universities of North America that there appears to be a great uneasiness, upset and manifestations of aggressiveness on the part of the young. I am just surprised that it is so constrained. It might be much worse. Was it not Mr. Trudeau himself who said to the Americans in a refreshing frankness, such as we have not seen from Canadian political leaders for perhaps two or three generations, was it not he who said to the state department people: "I am far more concerned about what goes on in your cities and on your university campuses than I am about the events taking place in Europe or Moscow's intentions of aggression."

That is part of a syndrome, the configurations of present day life. I, for one, will proclaim here and everywhere else that I have great confidence in the young. I am very optimistic that they, in the words of Tennyson, have a chance of building the brave new world which we so urgently need and which many of us so passionately desire.

Put in that light, what is wrong with nine students having a place on the governing council? Put another way, what is the matter with the courage of the Minister of University Affairs that he does not readily accede to the proposition? There are tens of thousands of students of the University of Toronto and in proportion a much smaller number of faculty. Rep by pop has been part of the syndrome of our political history for a long time in this province, and one of the early leaders—George Brown—made a career out of it. One man one vote—it is not the importation of any kind of an alien principle.

In every way that compels itself to logic and rationality one must come down on the side of the students and support their protest that they are entitled to greater representation on the governing council. That is where this party will stand, as we stood in 1967, against the embittered resistance of this minister and the members of the executive council of that day. They are too—I was going to say reactionary—too caught, too anxiety ridden. It arises out of their belief, which I accuse them of holding steadfastly, that a university ought to be governed by the better people in the community. You know, your betters. Because in the history of the University of Toronto, to be appointed

to the governing body of that great institution was in many ways a political reward or a recognition of having arrived in the business world, of success in the business world. That is a fact.

Colonel Phillips of Argus Corporation—he is deceased—at one time he was chairman of the board of governors. George Drew, when he departed from these sanctified halls, was immediately appointed to the board of governors. This was the resting place of the elite 400; this was the Valhalla of Rosedale, to be a member of the governing body of the University of Toronto.

Of course, everything begets its diaerectic. I am Marxian to that extent. Experience teaches me that every institution has within itself the seeds of its own decay. The seed of the decay was the growing resentment by the student body over a dead institution and against being ruled by their betters, meaning by betters, the inhabitants of the York National—forgive me, my friend from York Centre—the Toronto, Carlton and Albany Clubs.

Nicholas Ignatieff told me—and it is more than 20 years since his death and now it can be disclosed like the Pentagon papers—Nicholas Ignatieff told me one time that Vincent Massey so detested his colleagues on the board of governors at the University of Toronto that he moved to Port Hope where he would not have to be associated with them. He said Massey told him that they were nothing more than the cash register mentality, as successful businessmen. I would swear an affidavit that Nicholas Ignatieff told me; bless his memory, a great Canadian. This country was richer for the Russian revolution in that his father had to flee the horrors of the Bolsheviks and his family, that great family, found a resting place in Canada.

Mr. Speaker: Suppose we come back to the principle of this bill.

Mr. Sopha: All right, I will show you how it is related to the principle, because 14 members under this bill are still to be appointed by the Lieutenant-Governor-in-Council, and my complaint is that that is nothing more than a cloak for the continuation of the perpetuation of the appointment of the elite to the university. That is how it is related. It is the elitist group that receives the smiles of the cabinet, those that have been kindly to the Conservative Party and those that have manifested immense prestige in the business world.

There is no evidence to support the thesis, having had the experience of close contact, that because a man is a great whiz in the world of commerce and finance, that necessarily he knows anything about running an institution like a university. We, when we form the government, do not want that power; we do not want it. We stand for the principle here that the so-called lay members ought to be appointed from a broad cross-section of the community.

To go back to the University of Western Ontario bill, as these things must be seen in their historical context, it provides that members of the council of London have a right to sit on the governing body. It is the mayor, and four persons appointed by the council of the city of London. No doubt there is an historical reason for that. It may have been that the city of London made a grant of land, or something of that nature, to Western, and got the right—or will make an annual grant.

Well, *mutatis mutandis*, the city of Toronto or Metropolitan Toronto should have a commensurate right, as my friend from Scarborough has pointed out, to appoint a member to the governing council of the University of Toronto. But the principle is much broader than that. We want to involve in university life people from a broad variety of disciplines and interests because what we want to create between community and university is a two-way bridge.

If the university is to be successful, there must be communication and intercourse both ways across that bridge. There must be an understanding of each other. There must be a desire to share common problems, common experiences, advances in human knowledge and understanding. And that is part of an even broader principle.

We in the Liberal Party are prepared to say for all of the public to hear—every voter in the forthcoming election—that as far as we are concerned as a matter of principle the days of isolation of the university from the community are over, they are finished. When we are putting up something like 80 per cent of the money for their operation voted in this House from public money, then the community, the body politic, the social network in general—I have used three synonyms to encompass who I am talking about—they are entitled to expect that there will be some real return to the community from their investment.

Watkins, who is not a pal of any of this group particularly—

Hon. Mr. White: Oh, I do not know—

Mr. Sopha: Watkins—

Mr. E. W. Martel (Sudbury East): The member missed the convention last week.

Mr. W. G. Pitman (Peterborough): A former friend, I think.

Mr. Sopha: Just to illustrate my point, Melville Watkins, my alumnus, who taught me a great deal in economics, told me that there are still people in the university—

Hon. Mr. White: That answers that question. I have wondered for 12 years who taught the member economics.

Mr. Sopha: All right, I do not profess to be an expert, I meant only to the extent that I was able to fool the examiner and get through, that is all I meant—

Mr. R. F. Ruston (Essex-Kent): A lot of others too!

Mr. Sopha: I am a man of limited horizons. Melville Watkins told me there are still people in the university in his department who say to him behind their hands, in camera: "What are you getting involved in all that stuff for? Why do you get concerned about economic nationalism and foreign control? You are a university professor. You should isolate yourself from that stuff." You know, in an ivory tower. They would have them believe that in 1971 they could inhabit the chairs of learning in our university, such Cro-Magnons as that. One would wonder.

Well as we say, it is a matter of principle. The university, supported by public funds, has an obligation, a moral obligation to say to the community: "Here is the knowledge we have derived to assist you in the solution of your problems."

They have an obligation to come out of the compounds and to offer information, advice and assistance to the community. Would that more university professors run for local council, school boards, would serve on various regulatory and advisory bodies. Would that they would step across the lake in Sudbury—not literally, they can come around the end of it—into the community—

Mr. R. F. Nixon (Leader of the Opposition): They cannot walk on the water, can they?

Mr. Sopha: —into the community and say to the city council or to any other interested group: "We share your concern about pol-

lution, we are worried about your housing shortage, we have viewed from the other side of the lake the terrible transportation problem that you have. Here are some suggestions for solution that we recommend."

Many experts, many people, have very detailed knowledge within the university, but the point is that if the university is to function in the modern world there must be that two-way bridge. The community must be interested in the university. How can it manifest its interest? It can do it by making the annual grant.

It is a matter of sadness to me that in Sudbury the city council limited their grant—equal to one mill on the tax rate—to five years then they stopped. I believe they should make it in perpetuity as a means of encouragement to the growth of the university.

Citizens of the community can express their interest in the university by taking advantage of the many courses that they offer by way of extension, demonstrating an interest in the many fine artistic contributions that they make by the bringing of people from beyond the community to display their skills and their professional talents. In other words as my friend from Scarborough East says: "Town and gown are inextricably intertwined."

Which brings me back to what seems to me to be the unarguable justification for the appointment of these 14 from many different interest groups in the community. I hesitate to single them out because I do not want to make invidious comparisons. But any number of pluralist associations might be considered. It appeals to one's logic that to do it that way would be far more salutary and satisfactory from the point of view of the public interest than the clandestine consideration of recommended names within the cabinet chamber.

Well I hope that when the member for Brant is summoned by the Lieutenant Governor to form the next government—

Mr. Nixon: As he will be.

Mr. Sopha: —this will be one of the first reforms that he will make. And we in the Liberal Party—he was not here when I began—I am going to conclude on this note, having made the point in relation to the central important principle in this bill; I repeat that we in the Liberal Party in this House have been in the forefront of progressive thinking in respect to university reform. And he himself, as I pointed out, was the mover of that

motion in respect to the University of Western Ontario in the spring of 1967, which carried the committee.

Mr. Pitman: Where has the minister gone?

Mr. M. Gaunt (Huron-Bruce): He has disappeared.

Mr. Sopha: Well there is not much else in the bill that we disagree with. Though I must say, with the member for Lakeshore, I was somewhat surprised that it is so fore-shortened.

All this is said against the background of the many reports that have been made and all of which I have read over the years as they were coming out. And I share with the member for Lakeshore the profound admiration and awe of that gigantic intellect at the University of Toronto under whom I had the great privilege of studying—and I refer to Professor C. Brough Macpherson—and the titanic part that he has played in the development of university government within the University of Toronto.

Before I sit down I had better say that all of my remarks are posited against the background that they have nothing whatsoever to do with academic freedom. Academic freedom, a principle, a valued heritage of universities, stands apart, and with us will have all the sanctity and majesty and protection that it always has had. But having said that, and separated the concept of academic freedom, I must confess that much of what I have said has a good deal to do with university autonomy, which is the parallel mechanism in the—it is hardly the word—but the parallel phenomenon in the life of universities.

That university over there—the one we are dealing with—is and always has been a public institution, not forgetting for a moment the immense part played by the churches. And it is really laughable—will you let me interpolate?—it is really laughable when you hear people in this province who ought to know better talking about secular education—I look at my friend for Ontario.

They indicate by their own ignorance that they do not know, in the history of this country, the immense part played in the forefront of the development of education in this province by the churches. They were the first institutions that began to provide education in Upper Canada. Secular education came somewhat later. The only place you could get a good education by the time

1825 had arrived was through the auspices of one of the churches in Ontario. Well, that is an aside.

This institution has been a public institution since 1840 and has remained such, and therefore we in this Legislature have a very vital and responsible role to play in respect of the characteristics of its corporate organization. That is the justification for the comments that we make. It is in many ways our institution and we have the responsibility to see that it is so ordered that it functions with the maximum of efficacy within the public domain. It is against that background that we put these comments.

I hear from my colleague from Scarborough East that we are going to support the bill. We are going to argue for a change in the characteristics of that section 2 of it in the appropriate place, and I sit down with all the confidence in the world of having seen this small halting step toward reform on the part of this minister as he has emerged from a metamorphosis, and I must say his metamorphosis is something like the progress of a snail across a 10-acre field where one has to put in a stake every day to measure the distance he has made. But there is some reason for optimism in respect of it, and some day in the not too distant future—if you want a prediction, within five years—university students are going to play a much increased role in the governance of the institutions at which they attend. It must be that way. There is no turning the clock back. The development is going in that direction.

One thing, it is sad to say, is that they are losing confidence in those over 30, and it is even sadder to relate that in many ways they are justified in the loss of that confidence because we have not ordered the world in a very satisfactory way. If there is any hope for the future, it is now, as it always has been, that many of the great movements toward progress and reform in the history of the world have emanated from our younger people. That is an historical fact. They have been in the vanguard. They have been on the barricades. They have been in the forefront of demands for change.

While I think of it, I share the view of my friend from Lakeshore when he descends upon the multiplicity of committees within the structure. Because with Aldous Huxley I believe that good cannot be mass-produced. It is impossible to mass-produce good. A committee cannot produce good. Good can only come from the efforts of inspired indi-

viduals. That is the only place it has ever come from—nowhere else.

A committee by its very nature and its definition cannot produce ultimate good. It cannot be produced by the meeting of the minds. Perhaps some day we ought to have a royal commission in this country to investigate the part played in our national life by committees and advisory bodies; it would be very productive.

It is unfortunate to see that development taking place over at yonder institution. Without—what is it you do with the lily?

Mr. Gaunt: Gild?

Mr. Sopha: Without gilding the lily, I think I have made the points I want to make in respect of this bill to make my confession of faith in the future in the development of university organization in this province.

Mr. J. Renwick: Mr. Speaker, I rise to speak on the second reading of the bill with very serious reservations about the principles that are incorporated in the proposed bill to restructure the government of the University of Toronto. I feel that unless the minister and the government are prepared to give pretty direct and unequivocal answers to certain of the problems which are of concern to me about the bill, we here may well have little alternative but to vote against the bill on second reading. That is a matter which rests with the government in the light of the comments which are made in this on-going debate about this institution.

Let me just make the one comment and three or four other observations before I arrive at the principal concerns that I have about the bill. I believe they are important, the minor comments that I have to make, but I want to put them in perspective in the light of my other comments about the bill.

I am glad the member for Sudbury drew attention to the secular nature of the University of Toronto and of University College. We sometimes forget that in 1840 it was not an easy matter for the then governing bodies of this particular society in Upper Canada to come to the conclusion that the university, when chartered, should be a secular institution and not a denominational one.

The history of that time indicates very clearly that it took a reasonable amount of courage by those in charge of the government at that time to ensure that what is now in clause 12 of the proposed bill was the basis and principle upon which the charter was granted to University College. That is that

there should be no religious test required of any member of the teaching staff, the administrative staff, or any student and no religious observance according to the forms of any religious denomination or sect shall be imposed upon any of them.

That, of course, is subject to the reservations with respect to federated universities and colleges which are set out in the bill. But the principle that this provincial university was to be a secular one is one which we in this party value and cherish. We wish at some point that all of us in this Legislature could come to grips with the question of the secular nature of the public education system within the province as well, but that is a different and separate problem.

I think the principal theme that I would like to try to get through to the minister, Mr. Speaker, is that the institution of the University of Toronto must be an open one and it must be a public institution. One of the marginal matters that I want to comment about is that there is no provision in this bill requiring the governing council of the university to hold its meetings in public, where they would be open meetings, subject only to being closed when matters of confidentiality, related perhaps to persons on the staff of the university, related perhaps to specific matters of private or confidential concern of the university, are up for discussion, that otherwise the university should operate as an open institution. Most of our other public bodies so operate and it is only the rare exception and then only on specific motions that the public body holds its meetings in camera.

I would urge upon the minister the necessity of making such a provision in the bill which he has put before us.

The second rather marginal but important point that I want to make is that I can recall quite clearly when my colleague, the member for York South, raised in this Legislature some years ago questions with respect to the disclosure of interest to avoid possible conflicts. So that there would be public awareness of the position of members of the governing bodies of universities—particularly, at that time, the University of Western Ontario—the then Prime Minister, the member for London North (Mr. Robarts) specifically and categorically undertook that there would be such a bill introduced into the Legislature to govern and to cover in a general way the specifics which would be required of persons sitting, not only on the boards of public institutions such as universities, but of other bodies.

The committee was appointed, a report was made, but we have never yet had any result from it.

And here we have, in this bill which is introduced to us now, the proposition which has two sides to it. One, that there is no provision in the bill with respect to the obligations of members of the governing council or perhaps other members of other committees or groups that may be involved in the administration and governance of the university to disclose their interest and refrain from voting in matters in which there might be a possible conflict.

I say, Mr. Speaker, that it is very important if the government insists that the members of the governing council act in a non-remunerated capacity—and it would appear to me insofar as I can see in the bill there is no provision being made of any kind for members of the governing council to be remunerated for the services which they will perform as members of that governing council.

I think that in this day and age one must perfectly clearly understand that most people, who are able to make the kind of contribution that we would anticipate members of such a governing council to make, are not in a position to give the kind of time and attention—regardless of their public interests and their public spirit and their sense of civic duty—are not able to give that kind of continuing attention, unless there is some provision to remunerate them adequately for the time which they spend at the work of the university.

I think that this bill should so provide. If it then so provides it is quite possible to ensure that very strict requirements about disclosure of interest, possible conflicts of interest and the considerations which should enter into the deliberations of the governing council of the university could take their proper place. We would avoid the kind of problems which to date are not covered certainly in the University of Toronto bill as it presently stands.

Mr. Speaker, there are a number of matters in the bill which are simply carried forward from the present statute governing the University of Toronto. I do not intend basically to talk about those sections which are either repeated or omitted, I assume, for good reasons. Those are matters which I am sure can be dealt with better in committee.

I want to come, Mr. Speaker, to the five principal areas where I think the bill is

seriously flawed. The bill provides in substance—and one can come at this in many ways—that there will be no informing spirit to the bill. There is nothing in the bill which would indicate quite clearly and for all time, by way of recital or otherwise, that the provincial University of Toronto is a university dedicated to the proposition that it is accessible to the citizens of the province. Accessible not only in the sense that the isolation of the university is destroyed, but accessible in the sense that there is a public, open university which will meet the requirements of those who wish to have training at the university.

We have sat in the Legislature for a period of time when the Minister of Education—the Minister of University Affairs—has been able to say that everybody who wanted a place in a university in the Province of Ontario was able to find a place. Once again that short period of time has passed and we are engaged in a highly selective process by which persons now become enrolled at the university in its various faculties or departments or colleges.

Once again there is, in a democratic society, a very preponderant possibility that the elitism of the University of Toronto will be continued—because it is an elite institution and it has been an elite institution for many, many years.

I say the first principle that the minister has got to recognize from our point of view is an informing spirit to the bill which will indicate that that provincial university is an accessible university.

I could go on, as I have on other occasions in the House dealing with this matter, to give my particular views of a university in a democratic society in this day and age. This is hardly the time to elaborate upon that particular field. I want to leave it simply in terms of the informing spirit of the bill which does not provide in any real sense in a democratic society for that requirement of accessibility.

Mr. Speaker, let me make the distinction—the member for Sudbury made it, but I want to deal with two aspects of it. There is a distinction which was very clearly recognized by those who have made studies of this problem and was certainly recognized in the Duff-Berdahl report—the distinction between university autonomy and academic freedom.

The second major point I want to make is that so far as I can understand it, the guts of

academic freedom relate to the question of tenure of the members of the teaching staff at the university. In the absence of tenure, one does not have a protected assurance that the institution is academically free. Neither in the predecessor of this bill—the existing bill which will be the predecessor if this bill is passed—nor in this bill is there any provision by which there is tenure to protect not the members of the teaching staff who have tenure but to protect the values that we, in this party, and indeed in this House I am sure, placed upon the essential ingredient of university life. That is academic freedom.

Mr. Speaker, there is nothing in this bill which provides for that protection. Let me draw this distinction. It is an ancient one. It is an old one. But the fact of the matter is that once you create, by tenure, a status for a person, it is not a matter of contract. It is a matter that you simply say that in these circumstances this person has that status and that status gives him certain privileges; gives him certain correlative responsibilities and duties; gives him certain protections, not because we wish to provide him with a high degree of protection for his own purposes, but because the guts of the university education system in which we place a value as a repository of our culture, of our traditions, of our knowledge, requires that persons have that tenure and have that status.

There is nothing in this bill and nothing in the existing Act which provides for that protection. Indeed, if anything, I am one of the people who believe that it is absolutely essential for institutions such as this which are being restructured, to have specifically and categorically within the framework of the enacting legislation the protection that is required to ensure the continuance of academic freedom as part and parcel of the university community to which we owe our respect and allegiance.

The third aspect that I want to deal with relates to the question of the autonomy of the universities. This to my mind, is an extremely difficult question which this government has avoided ever since The Department of University Affairs was founded to mark the transition from the time when only a portion of the funds came out of the public purse, to the time when a very substantial percentage of all of the funds going to the universities in this province come from the public purse.

The system which this government devised was to exclude totally the legislative assembly, any standing committee of this Legisla-

ture, from having any communication on a continuing basis with the academic community. The argument that was always made for any one who suggested, it, and again my colleague, the member for York South, put a resolution on the order paper and was subjected to a vitriolic attack by the member for London South about the threat which was made by the very appearance on the order paper of that resolution, led to an attack being made that we in this legislative assembly would destroy the autonomy of the universities.

An hon. member: Right!

Mr. J. Renwick: Therefore, I share with the member for Sudbury and those of us who—

Hon. Mr. White: The member was having a pipe dream.

Mr. J. Renwick: —experienced the University of Western Ontario's traumatic experience of the manipulations of this minister at that time, together with our recollections of what he had to say at the time when the resolution of my colleague, the member for York South, was concerned, we share our concern about the minister's capacity to understand the needs of the University of Toronto in this day and age.

I say to the minister that there has got to be developed a mechanism by which a standing committee of this Legislature, responsible to this legislative assembly, will have a continuing and ongoing communication with the principal officers, the president and the chancellors, with the student body, with members of the faculties of the University of Toronto, let alone the other universities.

We in this party, when we form the government, if there is one department that we will change, it is the basic method by which—

Hon. Mr. White: I bet the member will.

Mr. J. Renwick: —the committee of university presidents and the committee on university affairs, which advise this government, have their responsibilities solely behind closed doors and not in open session to determine the ways and the manner in which public funds are used for public purposes in the universities.

Hon. Mr. White: The member will have his little fingers in every department of every university.

Mr. Lewis: Not on your life! Not on your life!

Mr. J. Renwick: That is right. Now the minister shows his true colour.

Mr. Lewis: There will be no manipulation?

Mr. J. Renwick: These are public institutions; these are public funds.

Members of the legislative assembly are the elected representatives of the people of the province. There has got to be a mechanism developed by which that kind of communication will take place.

And I say that, Mr. Speaker, because we in this party do not wish to see the perpetuation of a tradition which we believe is not the true tradition of a university, the tradition which would make a particular public institution an elite one. We are not going to be deflected from the course which we will pursue in this matter by any suggestion put forward falsely, that in some way or other this legislative assembly or a standing committee of this assembly, brought into communication with the University of Toronto or the other universities, could be accused by anyone of wishing to destroy the autonomy of the universities.

But we have got to have a sense of the correlative responsibility of members of this assembly to account for the public funds which are spent, and we have to be responsible in that sense and we cannot continually, year in and year out, act only as a rubber stamp, to approve the appropriations which are made by The Department of University Affairs for university purposes.

I would say to the minister that is a fundamental and distinct flaw in this bill, because over the years of the discussions about the governance of the University of Toronto, going back throughout the whole of the presidency of President Bissell, there has been no communication of any kind with members of this assembly in the on-going development of the thinking with respect to the University of Toronto. We have no assurance, whatsoever, that this government would change in the future any of its past routines and traditions which exclude this assembly from that kind of consultation, because I say there is a fundamental need for adequate accountability by this assembly, which has been abdicated by this assembly because of the method of university government established by the minister and his predecessor.

Let me come, Mr. Speaker, if I may, to a fourth point. I think it is absolutely essential that in those areas where the relationship of a student at the university to the governing bodies of the university may bring about the requirements of some form or exercise of discipline, I say that it is absolutely essential that the bill contain within its framework the specific procedures and the right to appeal of the student if he is subjected to disciplinary measures within the university. It is an essential ingredient of the relationship of most people to most societies that in some way or other they are subjected to certain disciplinary procedures. The University of Toronto is no exception. As a public body, where a student is in attendance at that university, if there is a requirement to exercise discipline then I think that the statute itself should contain the minimum at least of the statutory protections for that person against whom the discipline may be exercised. Not just to ensure that that person has discipline exercised upon him in a fair and equitable manner, but so that the public in the Province of Ontario will know that the procedural safeguards of the students at the university, of the teaching staff at the university—should discipline be required in that case—are going to be exercised in a fair and proper manner.

I for one cannot understand how, after having the McRuer commission report in front of us for so long and after taking so much glory in the way in which they have implemented the reforms of that commission, this government can bring in a bill at this late date in this assembly which excludes adequate and proper provisions with respect to disciplinary procedures, where the relationship of the student to the university is called into question and where discipline may well be meted out.

Having made those four points, Mr. Speaker, I believe each of them to be of serious import if the government really thinks that it is doing other than a restructuring in a strictly formal sense of the governance of the universities. Each of them is important: accessibility, accountability, tenure and the disciplinary provisions of the bill. But all of those reflect only the main point that I want to make, Mr. Speaker, and that is over a period of 10 years, in fact, the governance of the University of Toronto changed. The statute that was supposed to govern the University of Toronto ceased a long time ago to have anything other than a formal resemblance to the kind

of government that that statute reflected. It ceased to have it because, over a period of time, without consultation with this assembly, under the strong presidency of President Bissell, we had the culmination in the University of Toronto of the managerial revolution.

There is absolutely no question that if one reads the Duff-Berdahl report, which, when it was being written in 1965, received a communication from Claude Bissell indicating that he had set up the presidents' council. It was then only an advisory body because he could not give it any other authority without approval of this Legislature, but made up in such a way that it would provide the nucleus of the staff which would support him in the decisions which he would make at the expense of the board of governors of the university, at the expense of the powers of the senate and certainly at the expense of the then practically nonexistent powers or authorities of the student community.

That governing council, that presidents' council, which was mirrored in 1965, shows up again very clearly in the executive committee of the governing council of the University of Toronto, only this time its authority is entrenched. Its authority is entrenched in such a way as to permit over a period of time the continuance of the centralization of the administration of the University of Toronto in a bureaucratic structure in the executive committee. The executive committee can, by delegation, receive from the governing council of the University of Toronto under this bill a total delegation of power. It is drawn just that wide.

If it is set up as one would expect it to be set up, it will have two or three representatives amongst the various people from each of the so-called interest groups to make up the 10 men who, with the president, will run the University of Toronto. The accountability runs grave danger of becoming nothing but a formal accounting, because there are no checks and balances. There are no ways in which the governance of the university can survive by having different groups with specific authorities. Different groups with specific abilities to express themselves about matters of concern to them are all now placed in what the minister chooses to call a unicameral body.

There is no unicameral body. There is a body that is called the governing council of the University of Toronto which will delegate to an executive committee the basic control

over the university under the managerial clauses which provide for the president's power, provide for delegation and provide for the powers of the governing council. Then there is the convocation of the university and, of course, the convocation of the university can only be called into session either by the chancellor, which I assume would be an unusual occasion, or it can be called into session by the governing council itself. So there is not a unicameral operation.

There is, in fact, a series of bodies, all of which, if one looks at it in the framework of the way in which the university is, in fact, governed today, would indicate very clearly to the minister that it is an upward pyramided structure of administrative bureaucratic control. That is what the minister is perpetuating in this bill. There is no way under the bill, as I understand it, that the minister can escape the criticism that what has happened to the police force of the city of Toronto and what has happened to other institutions in the Province of Ontario are now happening to the University of Toronto, because the dominant institution of our society is the business corporation. With very minor changes we are imposing on the University of Toronto the same corporate structure that exists in a business corporation with all of the paraphernalia which is involved in using that kind of a system to account for the governance of the University of Toronto.

I say to the minister that the wit and wisdom of this assembly surely permits us to devise for different institutions different structures of government which are not analogous to and not fashioned upon and do not mirror the structure of the business corporation, which is designed for the production of tangible goods or the production of services.

What we have got to realize is that there is a way in which we together, in meetings with the universities, with the staff and the students at the universities and with those who are interested from the lay public, could fashion an institution which, in fact, would preserve as an essential ingredient the things which we value in those institutions. The things which we value I need not elaborate on.

It is very clear that the whole question of the continued existence of rational thought, of abstract reasoning, of discrimination, of distinctions of judgement, all of those are matters which fall within the inheritance of the university tradition. The transmission of knowledge and the research work which is

done, we believe are an essential part of our continuing culture in society. I think that the minister does a disservice when he brings this bill before us, with these kinds of flaws that I have endeavoured to point out, and asks for our approval without any specifically clear statement about the matters which are of concern to us.

The minister really is endeavouring to say to us, "Look, this is a small step forward. This is some kind of a change." On the other hand, he is also saying that this is the product of many years of work with respect to the structure of government of the University of Toronto, that he is going to require the governing council to review the Act within five years, but that is all.

There is certainly nothing to indicate that the government itself will take any initiative with respect to that review. There is nothing to indicate in any way that the minister basically thinks that there will be any fundamental change for many years in the structure of the University of Toronto which is going to be placed upon the university in this bill.

One could go on at some length, Mr. Speaker, about other aspects of the bill which, in my view, are faulty. But I have tried as concisely and as clearly as I could to place the matters before the minister which are of fundamental and basic concern to us and for which, in his reply, we will be listening intently to find out whether he has any conceivable grasp of the kinds of problems that we see in the University of Toronto, as the foremost university—if I may use that phrase—in the province, because it is the provincially chartered university. We can see then whether or not the minister has some grasp of what we believe to be the kind of energetic, informed requirements for a founding statute, or continuing constitutional statute, for a body which is such an important ingredient of our democratic way of life.

I say to the minister that we in this party will await and listen very clearly to make up our minds as to whether or not we can, in the light of the comments of my colleague from Lakeshore and in the light of other comments which will be made, support the bill on second reading. I find it extremely difficult to believe, unless the minister adjourns the debate and takes some time to consider his replies on these matters, that it would be possible for us to support him on this piece of legislation.

Mr. Speaker: The member for Peterborough.

Mr. Pitman: Mr. Speaker, I do not apologize for prolonging this debate because I think this is one of the most important bills which may come before this Legislature in this session. It is, because the University of Toronto is a very great institution, it is the provincial institution, in a sense the University of Ontario, if one could use that phrase.

As well as that, there is every reason to believe that this bill represents the direction of university government for the next decade. I am sure it is in the mind of the minister, and certainly it is in the minds of those who are over on this side of the House—and I do not say that every university in Ontario will turn to a single governing body, or that it necessarily must have a single governing body—but I would suggest that from now on universities will more and more be expected to have a connection and a tie with the community they serve. They will have to take a very good look at the way they are carrying on their affairs to see whether the accessibility and the accountability—which the member for Riverdale put so eloquently a few moments ago—is an actuality within their own governing bodies. As the minister knows, this bill is the result of four years of agonizing which has taken place on the other side of University Avenue, a mere stone's throw from this building.

There are some of us in this Legislature who have appeared before those committees and talked to those who were involved, both with the faculty and with the students. Of course, this was followed by the university-wide committee which worked endless hours trying to find a means of putting this method of providing a greater democratization of the university structure into effect—

Mr. T. Reid: That is a few days only.

Mr. Pitman: Finally, we have before us a bill which is the result of this activity. One of the things which bothers me greatly about this bill is the fact that there is nothing in this bill which can serve as a preamble to a bill which, in essence, is giving the direction for university education.

One cannot divide university education from the governing of an institution which is providing that education. We have no way of separating these two activities, and we are at the present time in a state of agitation throughout this entire province as to what is a university education. There is every reason to believe that things have

taken place over the past number of years which have distorted and transformed the universities in this province.

There are indications that the universities have been used and misused for holding young people from the labour market. They have been used or misused for giving young people certain views of their status and position in our society. They have been used and misused in other jurisdictions for manipulating the war machine. That is not true in this jurisdiction but I think, surely, with a piece of legislation which is going to be in essence the pattern of university government in this province there should be some philosophic base.

What is a university education? What is the purpose? Certainly the committee on university government—the commission on university government—put their solution forward with a high degree of intellectual content. I am sure the minister has read that report. I would hope he would reread it before this bill comes into the committee.

We need to decide in this province what is a university education? Is it simply the continuation of secondary school? Is it simply a holding operation or is there something particular, something specific, something qualitative, something different about such an experience? Does it have a particular relevance to certain students and not so much to other students?

This must be, I think, some essence of a bill which states that it is to provide the pattern for university education in this province for the future. We need some indication of what is a university. If the university is an institution which is there to instruct the young and to transmit knowledge, then obviously within the governance of that institution there does not really have to be too much concern about what the role of the student should be. His role is pretty circumspect. It is essentially a master-servant relationship.

But if the university is a community; if there is a give and take; if young people are providing some of the intellectual stuff of that educational experience, then surely it is a community and there is a degree of equality which has to be recognized in this bill.

My colleagues have already indicated the degree to which in the past the university has been too much the isolated ivory tower, isolated from the community and its needs, its concerns. It has been, in a sense, a quiet place for the mind, so I suggest to the minister that there must be, in this bill, even

greater indication in a preamble that a university serves a society which sustains it. That is its major role. There must be community input as to what the university is to concern itself with.

Look at the problems that surround us in this province, Mr. Speaker. We spent last week talking to The Department of Municipal Affairs and The Department of the Treasury, and we see the degree to which urban planning, land-use planning, is almost ignored in this province after these many years. We still cannot provide planners, we still cannot provide people who have sufficient sophistication in preparation so that we can organize our affairs in this province effectively.

We take a look at pollution and how strange it is that the main thrust, the main input in the area of pollution, comes not from within the institution, but without. Pollution Probe which is on the edge and finding its way, has to fight and scrape and scratch for every cent it can get. That is where you have had the real pressure put on this government; to do something about pollution.

When one takes a look at the area of the education of Indians, the education of the disadvantaged, where has been the thrust from the great institutions of this province in these areas? There simply has not been any. This is a judgement against the universities of this province, and a judgement which I suggest has to be reflected in this bill, in this piece of legislation, and will receive a good deal of attention when this legislation comes before the committee.

Look at the area of labour-management relations in this province and the kinds of legislation that come before this particular Legislature in that area, showing very little input on the part of a great many learned people who inhabit the universities of this province.

Mr. Speaker, it is more than just the community participating, it is a matter of the university playing a role in the problems of the community.

My friend from Lakeshore I think, brought up one of the most cogent arguments on this whole area of institutionalization. The minister would agree that we are in an age of deinstitutionalization and here we are trying to institutionalize, in a sense, a deinstitutionalization. How do you do this? How do you provide the flexibility, and as the member for Lakeshore and the member for Riverdale have pointed out—openness?

In fact, that is one of the things that we do not find in this bill which was in the CUG report. Those were the comments, as I remember, from that report. This business of candour and trust and openness, which were the basis of that report, should have been the basis of this legislation, and should indeed be put in the preamble of this legislation, if we as legislators are to have any trust in the openness of the institution which the minister has placed before us.

I simply say there is no indication of what is a university education, of what is a university. In fact, there is not even a philosophy of education because surely if it is an education, life and work experience which we are dealing with here, then certainly I suppose this kind of legislation is appropriate.

But if we really are involved in something unique and different in a post-secondary education institution called a university, then there is not much in this legislation which shows that. I think we must have a preamble indicating in precise terms what the nature of a university is in the Province of Ontario, in this jurisdiction for which we are responsible.

If you look over the past 10 years, you will realize there have been some major changes that have taken place. One has been, of course, the greater involvement financially of the community, to the point now where the community is paying, what is it, 85, 90 per cent of the cost of university. The private sector paying very little indeed.

I suppose the other great development has been the degree to which students have taken part in activities in the university community, and I think that in most cases this has had a most salutary effect.

I can remember in 1960—can it be so long ago—when there were great tirades about what would happen if university students began to play a part in committees, if they had any input in university government, and if they were sitting in committees around a table with professors it would completely destroy the entire atmosphere of the institution. The learning would be debased, the entire academic status of the professors would be destroyed.

Well, of course, it has been nonsense, it has been silliness. In many cases, what has happened is the university students have played a very valuable role. They have sorted out the university life. They have made universities more flexible, able to react to the needs, particularly in the academic areas, to

students much more quickly certainly than the professors alone could possibly have done.

There have been some changes which have become real in this Legislature. For example, the McMaster bill came before this Legislature, and the Carleton University bill. But what has happened, and I want to expand on this point because I think that the member for Riverdale pointed this out rather dramatically a moment ago, is that what has really happened is that the administrations have taken over.

I am not suggesting that there has been a terrible evil activity going on, that all the university presidents are involved in some monstrous plot, you know, to pull the rug out from under the faculty and to debase the students. That is not it at all. What has happened is that the universities have grown so quickly; they have expanded so dramatically; they have been involved in so many of what you might call extra university activities. For example, in 1960 there was no committee on university affairs. There was no committee of university presidents or what is now a committee of universities in Ontario.

The faculty associations were very small and involved very few faculties and very little time on the part of those faculties. The students were essentially a very receptive group of people who were mainly interested in the whole bit of climbing up the tower of the corporate elite. What has happened is that the governing of the universities has become very complicated and very demanding.

As well as that, they have become involved in this massive activity of trying to second guess the government of Ontario. This of course, involves formula financing and all of the activities that go on in that sphere. What has happened is that the only people that can keep on top of this—the only people who have the time, the energy; who have the facts, the information; who have the research available—are essentially those who were involved in administration. What has happened in the past 10 years has really been the triumph of the administrative process whereby the administrator knows what is going on. He leaks a little bit out to the faculty so that they can at least talk effectively at the cocktail party. That is essentially about all that happened at the university level and this is what we must turn back.

This is surely the place where we must reverse that trend. This is what I am not

sure is going to be reversed in this bill. We have got a single body to replace the senate and the board of governors, but I am not at all sure that body is going to provide the minister with what he thinks it is going to provide. We have evolved an imbalance, and what should the balance be? Of course, the CUG report says that one balance is 10, appointed by the Lieutenant Governor; 20 from the faculty; 20 from students; 10 graduates; four appointed by the president and so on.

The problem, it seems to me—we agree with the minister that there has to be a balance of the lay and the academics—but the problem is not just to get a balance in writing. It is to get an effective balance. You can have a democracy on paper and a tyranny in fact. This is what I am afraid the minister is involved in here—a tyranny in fact—because the 50 per cent who are lay, for one thing have no constituency, as the member for Sudbury has pointed out. They have no constituency. They are appointed by the Lieutenant Governor.

One would hope, one would expect—in fact, one should seriously not have to mention it in this chamber—that we would not have the same kind of appointees to boards of governors that we have had over the past 25 years in this province. So 25 years ago we had to have people to go out and collect money, but that really is not the role any more of these people who are going to be on this governing body. They are there to take part in the actual activities in the universities.

You must have people who have the interests of the universities—those who have a concern for what university education is about, an understanding of the university. What I am afraid of is that we are going to end up with a whole group of university people. That does not represent the community.

I wonder what the minister is going to do about this? I think the suggestion which was made by I guess it was the students—when they suggested that they should be selected by the human resources committee—seemed to be as good a suggestion as I could think of. I do not know how the minister can select the number of people—20 people—who are going to be able to represent the entire spectrum of Ontario life, because when it really comes down to it—I tried to do that.

You know, the minister will have one for the Chamber of Commerce; one for the Canadian Manufacturers' Association; one for the

Canadian Labour Congress; the Ontario Federation of Labour; another one from the University Women's Club, and so on, and the minister has a list. He has got to have one from the public school teachers. It is just impossible.

There are so many groups of people which are involved—significantly involved—in what goes on at the University of Toronto. I think it becomes an impossible situation. One can almost suggest that the minister could get all the phone books of all the communities across Ontario and stick pins in the pages and he could probably pick as representative group of people as he will by spending the next three of four days closeted in his office over on Wellesley Street trying to decide who he is going to pick for that governing council. I do not know how he is going to do it.

This comes back to the point. We have got to open it up. We have a human resources committee. Heaven only knows it is a very limited body in its viewpoint, but at least we would bring a great list of names before that committee. We would have a discussion about those people. We possibly would have those people come and meet with the committee. We would be able to get, through some kind of dialogue, a concept of what those people thought about universities and university education, what they thought about faculties and students. Out of that we may be able to get 21 people or 20 people who would be able to sit down and have something to say about university government. It comes back again to what the member for Riverdale said; the problem I see is that we are going to have a governing structure which in essence will be in the hands of an administration. We have got 20 people who know very little about it. They meet once a month maybe. They do not have any research. They do not have the facts. They do not have information. It is very difficult to be on the outs. So often what happens when the Lieutenant Governor appoints these people they become captives. They do not become conservatives, they become captives. They still have a feeling that they are on the team—the governing council is the team, the president is the coach and the faculty are good fellows—and they do not want to do anything which in any way will raise embarrassing questions. Of course, how often do we hear from them over here? Four years of agonizing. I have heard from the students. I have heard from the faculty. I have heard from the non-faculty workers over at the University. I have heard from administration. I

have never heard from an official of the board of governors yet from the University of Toronto.

Look at the colleges of applied arts and technology? Every one of them has on it somebody from the Ontario Federation of Labour. Some labour man is on the governing body of a college of applied arts and technology. And it is right. They should be.

Hon. Mr. White: I am astonished that George Drew has not been in touch with the member.

Mr. Pitman: Well, maybe I am not in close personal relations with George Drew. I am sure the minister would realize that. But the point is that once they become an appointee of government and they become a part of the team, they feel it is just not gentlemanly to inhibit the process in any way. I think if we are talking about the autonomy of universities and the power of universities to effect their own affairs, I think that is an important point.

I picked up this publication, the Canadian Association of University Teachers Bulletin; I am sure the minister probably read that first article on "The House that Davis Built." I do not agree with some of what Professor Benson says in that article. I agree with some of it. But one point I do agree with—and it is a rather interesting comment he makes—

In view of the enormous amounts of moneys being expended on university education, in view of the importance of the issues, in view of the power of The Department of University Affairs, I am at a loss to explain this.

He is at a loss to explain essentially why there is not any seeming reaction from the universities. Whenever the government snaps, the whole university community jumps. that is what he is saying.

The committee of presidents would spend time and money preparing elaborate justification of its views, yet only once or twice a year would it receive skimpy memoranda or "anecdotal reports" from The Department of University Affairs. A hint dropped at a cocktail party, a word of rebuke from the chairman of university affairs—

I might to add to that a comment from the Minister of University Affairs, but it says here:

—a smile from the Minister of University Affairs were enough to send presidents

scuttling to their projections, deans to their budgets, and chairmen to their charts.

Well one can smile to some extent with the degree to which the university presidents are taken in by what goes on down here, but the point is—and I am sure the minister would agree with this—that that is not the kind of department he wants to run and not the kind of universities he wants to have under his jurisdiction as minister of this department.

I think we are going to have to try to find ways by which to make the governing council a really effective council, and I think we are going to have to find methods by which the people who are involved as the lay people on this council can really affect what goes on in that university, and I think openness is one of the most important things—open meetings.

Secondly, I think they have got to have access to records and access even to independent research. Somehow they have got to be able to get facts and information from other universities, from university people throughout the entire community and somehow be able to have power to deal with what is essentially bureaucracy to the tyranny of administration.

We are involved today in a society in which we need people to do these things. I suggest perhaps we should be paying them; perhaps there should be some honorarium which allows the average person to be able to sit on that kind of a board and devote the time and energy which is necessary, if he is ever going to understand the complexity of the University of Toronto, because the minister knows that is one of the most complex governing systems that one can imagine. Just taking a look at the full chart of the committees is enough to boggle the person who comes to sit on that committee or that council for the first day.

So I just suggest we are now moving into what one could call the age of Greek democracy, where the job of the individual is not to work, not to hold a job, but actually to be a citizen. One of the ways that we can, I think, help people to perform the function is to provide them with an honorarium within the society to carry out a very important function and that, surely, is the government of the major institution in this province.

I want to move very quickly to the whole question of the role of students. I think that the inclusion of students is obviously necessary. I am concerned about the number of

students who are involved in this. I think the CUG report came out for parity. I must say I find that concept very appealing. I think that the role of the student has to be accepted in this setting. I think the six, six and four system of approaching the matter is fairly acceptable, and it is fairly wise.

Rather than lining up faculty and students on the parity issue and saying that there should be nine and nine, 11 and 11 or six and six, rather than what might be called the esoteric, or idealistic council of the community in which everybody votes for whoever is going to represent them in the university community, I think this does begin to move one toward a collectivity. I must say that this is a suggestion which I threw off the top of my head standing outside the Legislature door here. I think it has a very real value in a sense that it may be six, six and four now, but it might very well become five, five and six, five years from now. I have a feeling that those four people elected from across the entire university might very well be two professors and two students. They might be three professors and one student; I think there more likely will be at the beginning three professors and one student, or it may very well be three students and one professor. One does not know. But I think the minister is moving towards at least the concept of the collectivity and the concept of community within the university sector.

It is extremely important that this should be reviewed and I would agree with the member for Lakeshore in three years rather than five years. I think really we must see what has happened. Once again, unless we are provided with the opportunity to see what is going on in the university setting, we will not be able to make a very effective reaction in this Legislature. But I do hope for something from these meetings of the committee, which I look forward to very greatly, because I think this whole area of the numbers should be left a good deal to the give-and-take of that community setting to see whether we cannot find compromises, whether we cannot find better ways of representing students and faculties. One of the problems which really bothers me is the statement by one group that we really cannot supply—I think the faculty association brings this up and the part-time students bring this up—that the number of people on the governing council cannot supply the committee structure as it exists at present in the universities.

I think we should look at that committee structure. We should look to see whether that committee structure should not be changed rather than the governing council be increased but, in any case, the important thing is to make sure that the governing council is able to understand what goes on in relation to these committees which exist within the universities at the present time.

I am a little concerned about the selection of a chairman. I see no reason why the government should immediately move to appoint the chairman. I think this is something perhaps that the governing council itself could work out. Here again, the governing council must have some confidence of its own power, of its own self-image from the beginning. Imposing a chairman, and imposing a vice-chairman, takes away from what the government wants to do in this whole question of opening up the governing of this institution, making it more liberal, making it more accessible.

I note, for example, in this bill there is no place for a research board; that is one of the things which the CUG report put forward. We have had a great deal of discussion in this Legislature over the past number of days when the minister's estimates were before the Legislature on the whole business of research. It seems to me that this is one of the most important aspects of the CUG report, the whole question of making some quality of decisions, some really effective decisions, about what kind of research should be going at the university in the various departments and faculties in that university.

I agree there is no appeal procedure. One of the things that always bothers me—and I must say that this has not come from the University of Toronto so much as from other people in this province—is that if a student feels that he has been wronged, and there are students who do feel that they have been wronged, and if they do not feel that their examinations were properly read or their courses were properly assigned to them, they feel that by some administrative bungle that they have been put at a disadvantage, there should be some way by which they can appeal. The governing council should have an opportunity to hear those appeals and it should be a part of that governing council's role to see that justice is done in every sector of the university—to see that justice not only be done, but be seen to be done, as the minister well knows the phrase.

And, of course, there is the whole question of accessibility, the whole question of

the possibility of people being kept out of the universities. This relates, of course, to the whole question of the means by which the university accepts its applicants. I think that this whole procedure should be there—should be open and present, within the legislation.

Mr. Speaker, I am not going to say any more on this, not to repeat the comments that have been made by other members of this party. We look with very great interest at what the minister is going to say before this bill has its second reading. We look with even greater interest on what is going to happen in committee.

The minister has indicated that he is prepared to be very flexible, that there are areas of negotiation; that he is not wedded to the numbers game within the governing council; that he is not wedded to certain provisions in this legislation. We intend, Mr. Speaker, to test him in this particular area. We shall just see how flexible he is prepared to be in the days ahead.

Mr. Nixon: Mr. Speaker, just briefly on this bill, which I consider an important one, I have one or two matters to put before you, sir, and the minister.

I have no doubt that what is decided with regard to this bill, particularly after it has been in practice for two or three years, will be followed by the other provincially assisted universities and therefore we are legislating for most of the universities. I am sure the minister, along with other members of the House, is quite prepared to grant the universities which have private legislation the right to grow—if that is the correct word to use—along lines that they themselves decide. Yet the minister, as well as anyone else, must realize that, in the public interest, the members of the Legislature do have considerable powers to affect this growth, sometimes specifically influence it, by means of our various committees and the views expressed in this House.

There have been a great many changes, of course, in university government, in university finance, and I will not for a moment try to go over the field. The minister and his predecessor recall the advice given to the government in this House by John Deutsch, when he was preparing the statistical summaries of the requirements for post-secondary education. I recall discussing them in this House when the projections were at least 10 years ahead. Now we are in 1971, close to 1972, in our projections

of student enrolment and costs. It seems strange that the decade has gone by and that Dr. Deutsch was fairly close to the mark. I recall many of the discussions about Duff-Berdahl's recommendations, or their reports' recommendations—Dr. Spinks' University of Ontario concept, which seemed to come at a very strange period in the development of the universities indeed.

So, many things have happened over these years. As a matter of fact, I am not quite prepared to say that the destiny of this province is established on the playing fields of the University of Toronto. Probably the Minister of University Affairs is not either. We have heard the member for York South talk about Queen's. We hear about Western, the University of Guelph. I and the chairman of Hydro are graduates of McMaster.

Mr. J. Renwick: And the Minister of Correctional Services (Mr. Apps).

Mr. Nixon: Correctional Services, of course, over there—a great 1936 graduate of McMaster University. I was interested in looking up some of the figures about McMaster that in my last year, 1950, I believe the budget was something like \$800,000, and at a gathering attended by the Minister of Correctional Services and myself and the Minister of Education (Mr. Welch) just a little while ago we were told that the budget this year was going to be close to \$40 million.

The big difference in the early days of course was that on a matter of principle only, McMaster university and many others would never touch filthy lucre that came to them by means of government grant. I distinctly remember my father, the former minister—well the former member for Brant—getting up in this House during the discussions about the financing of universities in which the University of Toronto got the huge lion's share and a small amount was starting to trundle up to London, and some went to Queen's.

He got up in this House and said that he was now financing the education of a third child at McMaster and he thought maybe the public purse ought to be opened up to support some of the other universities like McMaster, and a special assembly of the student body was called, attended by the chancellor who was the chief executive officer under their old constitution, who berated ill-informed politicians who would suggest that McMaster University might take some

of this money. And of course it was not two years before the Baptist convention of Ontario and Quebec had relinquished their grip on the affairs, temporal if not spiritual, and the pipelines have opened up and this—

Mr. Lewis: Interesting phrase.

Mr. Nixon: —\$40 million budget is now met—I would think well in excess of 90 per cent—from public funds. And so, Mr. Speaker, I feel that the pattern that is set by this public bill will be followed, certainly examined closely, in its implementation and its efficacy by the boards of other universities. Certainly the time has long since gone, I believe, when in the name of university autonomy we in this House are going to rubber-stamp any commitment or any request that comes from a board of governors for amendment to their private legislation.

The member for Sudbury and others have referred to that great occasion in 1967 when down here asking for a new bill and when, in the private bills' committee, there was an amendment put forward by myself and supported by members from all parties which called for the inclusion of a directly-elected student representative on the board. But when it appeared that this amendment might succeed—which in fact it did in the short run—the chief spokesman for the Western board, Colonel Weldon, was most upset.

Mr. Speaker, I do not recall whether you were present yourself—or if in your capacities of the day you had other responsibilities—but he immediately said, "We will withdraw the bill." He did not realize that the bill had gone into the wringer by that time and it required even more than his bluster and threat to turn the crank the other way. It went right on through with the amendment which he thought was going to disrupt a complete control, reasonable control, of the university and was simply a crack in the foundation of what was right and accepted.

Mr. Lewis: Of western democracy.

Mr. Nixon: Yes, western democracy, is that what he called it?

Mr. Lewis: That was president Hall at that committee hearing.

Mr. Nixon: Well at the time I thought the then private member for London South, he seemed to have some special responsibilities—certainly he had been on the faculty if he was not at that time, and was looked to by

the people from Western as their main spokesman and very properly—he seemed to be taking a very fair, broadminded approach indeed.

And it was not until that bill was reported back to the House with that amendment, that tremendous far reaching amendment, Mr. Speaker, that shattered all of the traditions of university government, wherein one directly-elected student was a member of the board, that we saw that bill sit on the order paper week after week after week. All the other private legislation was cleared away and it was within 48 hours of the adjournment, I believe, that the real influence of the member for London South became apparent. He put the bill right back on the four-square approach of western democracy, as has been described—

Mr. Lewis: That is when the Minister of Health (Mr. A. B. R. Lawrence) emerged.

Mr. Nixon: —and the public interest, as I would like to call it, the democratic decision of the private bills committee was reversed and all of the political debts were paid off perhaps in one fell swoop. It was almost unthinkable by the government of that day—1967—that the students should have any role to play in university government whatsoever.

The member for Sudbury talked about the conversion of the minister and said it was not exactly like the baptism in the Jordan but, at least, his big toe was in the water, and that as far as this bill is concerned there is some ambit for direct student representation, some substantial provision. I do accept an important change in this as a public statute that we now have what has been called a unicameral system. The member for Riverdale has rejected that, although the member for Peterborough has accepted it. There seemed to be some confusion there as to whether it is unicameral or not, but at least a senate and a board of governors are not separated. They are put together, I suppose if one wants to look at it another way there are various committees. The powers are handed out to specific groups, the executive group and so on, which would perhaps lead the member for Riverdale to persuade his colleagues to reject it on the basis that it is not truly unicameral.

But this is a step forward and one which we applaud. We certainly would not be consistent if we rejected it now because we have been calling for it from this party for a good long time. We do not take acclaim, of course,

for having originated the idea, but we say to the government it is going to do that and that is a good thing. We will examine how it works at the University of Toronto and if there ever gets to be a university in Goderich we would hope that they would institute it there as well.

I see the Minister of Transportation and Communications is paying some careful attention to my remarks.

Hon. C. S. MacNaughton (Minister of Transportation and Communications): What?

Mr. Nixon: Never mind! So, Mr. Speaker, that particular principle we think is a good one. We think it is all right.

Hon. Mr. MacNaughton: Pretty chippy stuff!

Mr. Nixon: As far as this governing body itself is concerned—I like the minister better out of the House than in, but—

Hon. Mr. MacNaughton: I am only here for five minutes.

Mr. Lewis: That is five minutes too much!

Hon. Mr. MacNaughton: The member could stand it for five minutes at least.

Mr. Nixon: He can come back at 8 o'clock and contribute his comments.

Mr. Speaker, I do want to attempt to put my views before you before we rise at six o'clock. I do believe that the basic composition of the governing body is good in one respect at least and, that is, that it is divided between those people coming from the university community and those coming from the broader community, the lay community, as the member for Peterborough called it several times.

Hon. Mr. MacNaughton: It is an element of the total inconsistency of the Leader of the Opposition.

Mr. Nixon: Does the minister mean that I do not like him in the House? I have been consistent in that.

Hon. Mr. MacNaughton: I have a note here from the member for Sudbury, I will read that.

Mr. Nixon: Mr. Speaker, the method of appointing the half of the board coming from the community at large, of course, is

open to some criticism but governments do change and I suppose that the responsibility for the appointment has to lie with the government of the day. I would have hoped that there would have been some more specific direction to His Honour, the Lieutenant Governor, other than just the names sent to him by his first minister and his advisers, but that is a matter that has already been dealt with. The other half of the constitution of the board, representing faculty and the student body—I believe, that the minister should have gone all the way and arranged for parity or equity—parity I suppose, equal representation from these two groups. It may well be that amendments offered in the committee stage will in fact bring this about. I know that the minister has always felt strongly about the importance and the powers of the standing committees dealing with legislation, and I hope that he will give this kind of an amendment his careful consideration.

These are the two matters that did concern me with the legislation, and there are others. Just in the moment that remains Mr. Speaker, if you will permit me, the conflict of interest matter is one which should I believe, be dealt with in this bill. We have seen in municipal government and other areas that it does arise from time to time, expected and otherwise, and that the bill could deal very effectively with the possibility of conflict of interest in the future, and therefore be improved.

We in this party have some doubts about the details and some of the very important details of representation on the board. But, putting those aside, the principle of unicameral government we approve of. We approve of the division of representation as between the public interest outside the university and the interests of the academic community within.

We think the membership representing the academic community should be shared, with

student representation and faculty representation equal.

Mr. Pitman: Mr. Speaker, I wonder if I might rise on a point of personal privilege.

On arriving in this House this afternoon, I found on my desk an invitation to some kind of a barbecue and reception, to be held at the Talisman on July 9 and 10. In view of the fact that it was signed by the Prime Minister (Mr. Davis) himself, I must say I was very flattered and delighted.

Mr. Gaunt: Certainly very nice of those fellows opposite to invite us.

Mr. Pitman: However, I read further and discovered that arrangements have been made for photographs and that we would be there until Friday, Saturday, and Sunday.

I wonder Mr. Speaker, in view of the fact that I have now discovered that this really is a letter for evidently one political party in this Legislature, and that I do not belong to that political party and never have belonged to that political party and never will belong to that political party, whether you would be good enough to inform the Prime Minister for me that I will not be able to attend either his barbecue or his reception or the discussions or the planning sessions or the photograph sessions? However, I must say that I would like to partake of the meals and accommodation which are apparently free, but I wonder if—

Mr. Nixon: We are asked to provide our own transportation.

Mr. Pitman: —you might just pass on to him that I am still deputy leader of the New Democratic Party in this Legislature and will have to pass up his invitation.

Mr. Nixon: Like the Tory campaign, fouled up from the start.

It being 6 o'clock, p.m., the House took recess.

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Legislature of Ontario Debates

OFFICIAL REPORT — DAILY EDITION

Fourth Session of the Twenty-Eighth Legislature

Monday, July 5, 1971
Evening Session

Speaker: Honourable Fred McIntosh Cass, Q.C.
Clerk: Roderick Lewis, Q.C.

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REPORT OF THE COMMITTEE ON THE
PROCEEDINGS OF THE HOUSE OF REPRESENTATIVES

IN THE SENATE OF THE UNITED STATES

January, July & 1971

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LEGISLATIVE ASSEMBLY OF ONTARIO

MONDAY, JULY 5, 1971

The House resumed at 8 o'clock, p.m.

Mr. Speaker: When the House rose at 6 o'clock we were debating second reading of Bill 80. Is there any other member who wishes to speak to the bill?

UNIVERSITY OF TORONTO ACT, 1971 (concluded)

Mr. D. M. Deacon (York Centre): Mr. Speaker, there are two or three things that concern me about this bill. First of all, it does not provide for any change in the future in the size of what is now a mega-university. It is certainly a gargantuan structure. It is one that, because of its size, is inclined to be more and more run by the administration, and there is likely to be an even greater buildup in the bureaucratic structure. Because of its size we are going to lose a lot of the personal contact and values that we need in any board to properly reflect the views of those who direct it.

When you have a very large structure like this it is very difficult for those who serve on a board as volunteers, whether they be students, lay people or faculty members, to spend the time required to really provide the objective judgement that we seek through a governing body of this sort. We tend to get those becoming interested in seeking membership and positions on these boards who make a career of this type of thing, whether they be students, faculty members or representatives from the community. Because those who are truly representative of these bodies, whether they be student, faculty or business people, do not have the amount of time required to really provide the judgement I think we really seek from this type of body. I am sorry it is not visualized in the minister's plans for the future to arrest and actually reverse the trend that the University of Toronto has been following for some time. I understand the faculty of medicine, for example, which co-ordinates 14 teaching hospitals, is now really too large for good teaching. I am sure if we broke down the university into the arts and science faculty and other units, we might be able to achieve a

little more personal relationship and interest on the part of the boards and yet set up a means of co-operation and co-ordination whereby the various facilities could be shared by contract or by other means. When we do break up these structures, it does not necessarily mean inefficiencies and overlapping; it is all in the way these things are co-ordinated.

But I am distressed that in this bill we continue to head for an even larger organization than we had in the past. I think the University of Toronto has lost a great deal in the last 30 years because of this continued trend.

I was pleased to see some attempt in the bill to have a rotation, although it is only after a nine-year period, of those who will be staying on the board.

The idea of having a year's absence, I think, is a good one to provide for change in those who have not particularly added strength to the board representation. I think perhaps the period should be two terms of three years rather than three terms of three years on this rotation, because I think that normally a five-year term is plenty of time for people to become very familiar in office and provide and actually make the greatest contribution they will make. Very seldom do people do anything but become more inclined to follow the same trend of thinking they start to follow in their first year or two.

I feel very strongly we should change the representation to have the students' representation equal to that of the faculty's. I do not see that they should be in a lesser position. I think that the idea of having a majority, or certainly equal representation from the citizens at large, is important and therefore adjustments would have to be made to provide for that. But I do think it is very important that in order to be sure that the full argument and influence of those who are supposedly receiving the benefits of the educational institution of this sort, are in a position to adequately present their views and not be in a lesser position than those who are teaching.

In addition to that, I am somewhat concerned in this whole university structure that

we do not make the position of faculty members so secure that they can have a feeling that no matter what they do, and no matter how poorly they serve those they are being paid to serve, they can continue to have security of tenure indefinitely. I think that whether it is a monopoly in business or it is a complete security of position in the civil service; no matter what it is, wherever we have too much security we often lose our responsiveness to the needs of those we are hired to serve. Certainly in the Legislature we have to face the music, we have to face those we serve every few years. I think it is a very healthy thing, in whatever work we are doing, that we have a sense of obligation by having to be accountable every little while to those whom we are serving. And in a faculty I think there should be provisions where although we want to retain appeal procedures for arbitrary dismissal, we do want to have a position where the faculty has to perform. And I am hoping that in the way we set this new Act, and other legislation that will follow it, we will ensure that the faculty has a position of accountability and not one of security of tenure regardless of how they perform.

The last area, the principle that concerns me is one of conflict of interest, which my colleague from Scarborough East and my leader (Mr. Nixon) have already brought out and emphasized. In the Legislature, because of our peculiar position, having no one else that we serve other than an electorate, we do set our own remuneration and our own prerequisite; we get criticized a great deal for this; it is very difficult for us to find another means whereby we can have it set.

But the fact is that in business or in almost any other area, those who have an interest in the benefits of any decision that is made have an obligation to declare that interest and to refrain from voting. I think the same thing is true here. We want to have those on the faculty, if it is a matter of salaries, or students, or if it is a matter of fees, declaring their position, discussing it and arguing it, but when it comes to the vote they have declared their interest and they abstain. I think some provision for this should definitely be provided for in the legislation.

Those are the main points that I would like to bring to the attention of the minister in this debate.

Mr. S. Lewis (Scarborough West): Mr. Speaker, I shall not be long; I shall be relatively brief.

I concede at the outset that the sun neither rises nor sets on the University of Toronto bill, and that the planets will be in their orbits and the earth will continue to be round whatever the outcome this evening. But it is a bill of some importance to all of us on this side of the House, to those of us in the New Democratic Party. The minister has taken his portfolio very seriously since he assumed it. The debates on the estimates of The Department of University Affairs were in many ways exemplary; I think that is true of the government side as well as the opposition side. And so we felt all the way through about this bill and about this minister that we should express our reservations, and where need be, our dismay in fairly unequivocal terms.

Now, Mr. Speaker, the caucus of the New Democratic Party has, I admit quite frankly, had some difficulty in reaching a decision about second reading of this bill. We have mulled on it for a considerable length of time. There were a number of matters which affected that mulling process. The minister sits in his seat, poised with anxiety and tension, wondering the outcome of our mullings. I will put his mind at rest by telling him that, subject to certain conditions I am about to reveal, we are opposing this bill on second reading, as a caucus.

The conditions are roughly these, and I do not mean to set them as ultimatums, I mean simply to put them as provisos, which we think should be put in the interest of debate and discussion. If the minister can satisfy us on a couple of very important areas in his reply on second reading, then we in this party may well want to alter the position, although I say in advance that is unlikely.

If, tomorrow, during the committee stage, certain amendments are introduced—amendments which I will allude to during the course of my remarks and which have been alluded to fully by my colleagues who spoke earlier—certain amendments are made, then we will take another look at the bill as it comes out of committee and goes into third reading.

But as the bill now stands we are faced again—and this was essentially the caucus debate—with a sort of half-a-loaf conundrum which is continually presented by the government, the pattern they have of bowing reluctantly to public pressure and going only part way on a given, social, economic cultural issue, and feeling that in that fashion

they can appease discontent. If it is possible for them to neuter the opposition by suggestive insinuations on the part of the government, if it is possible for them to seduce us with a few crumbs from the table of state, then they feel—

Hon. A. F. Lawrence (Minister of Justice): Is the member not getting his metaphors mixed?

Mr. Lewis: Well, my metaphors are mixed because I am self-conscious about the metaphor. If the government feels that they can handle it that way, then they do; and they frequently achieve their end with at least one opposition party.

But we made a basic decision in this caucus, Mr. Speaker, some time ago. I think it is fair to say that we will not be a pawn for this government and its dubious intentions; that we are not prepared to be taken in purely by suggestive legislation. If the principle is real, and if it is substantial, and if it is qualitatively different from what preceded it in a positive sense, then by all means we will support you as we did on one rather important decision a little earlier in this session.

But when the bill continues to be fundamentally flawed, as my colleague from Riverdale put it this afternoon, then we are not prepared to support you unless there is very real evidence that the flaws will be removed.

The bill in that sense, therefore, is a tough one. You have come some way, admittedly and that has been conceded in lesser or greater degree on this side of the House. But Mr. Speaker, after 10 years of study of university government, after four years of intensive debate on the University of Toronto alone, after one takes a look at the present expectations within and without the university community, after what we have asked as a party through the last several years and the debates we have waged, it is simply not tolerable to support the essential flaws in this bill, because they cut right to the heart of the principles involved, and therefore we intend to oppose it on second reading.

I think that those flaws have been well expressed in their great variety. I think that when all is said and done it narrows itself essentially to two fundamentals—the linchpins, if I may say, upon which I know my colleague from Lakeshore has rested his own feelings about the bill, in the final analysis. Those two areas, if I can name them quite briefly and deal with them briefly, are the

matter of representation and parity on the one hand, and the matter of openness on the other.

Let me make some comments about that, Mr. Speaker. The matter of parity, and the refusal of this minister and this government to grant to the students parity with the academics—and if I may go further, Mr. Speaker, and say the refusal to grant to both of them parity with the rest of the community. That seems to me to betray a prejudice which lurks at the back of the Tory mind; the sort of mentality which the government has and which handicaps it irretrievably in a number of areas, and nowhere is this more evident than in the given bill.

It is much the same reason, Mr. Speaker, why the government of Ontario has not yet lowered the voting age to 18. It is very much born of the same frame of mind. It is an inability to recognize what youth is all about, what contributions might be made; a lack of recognition of how young people can and do contribute to the community environs, university or whatever it may be, of which they are a part, and it is only under relentless pressure that this government moves on those fronts at all.

The member for Scarborough East (Mr. T. Reid) and the member for Peterborough (Mr. Pitman) drew the distinction between the positions of the CUG report, a most unlovely name, and the university-wide committee, on the entitlement of students to equal representation—an excellent example of what happens in the university when you begin to diffuse power this way, and the manipulation begins. It seems to us profoundly wrong, Mr. Speaker, that the minister and the cabinet and the government have not taken a position on this matter of policy. This minister is the last minister to tell us to have trust and faith in his flexibility. We had trust and faith in his flexibility in those extraordinary days of 1967 with the University of Western Ontario bill, and that flexibility was revealed in such a hardhat rigidity, an old-line fundamentalism that it was difficult to believe.

I remind you, Mr. Speaker, of those days when the bill came back into the House involving the one student on the board which many have discussed this afternoon. I do not want to describe how all of western culture was in peril as a result of this suggestion in committee, but when we came into the House and the vote was taken, one government

member stood alone and presaged, even that day, his independence of spirit and the forthrightness which he shows today. That member is the present Minister of Health (Mr. A. B. R. Lawrence). He stood to his feet and he said: "It is apartheid." I remember it well. It was apartheid then and it is apartheid now, Mr. Speaker.

There is no conceivable reason why in 1971, four years after that memorable event, that this minister cannot in the name of his government take the position that students are entitled to parity rather than leaving it purely to a committee where word will have been passed in advance as to the outcome that is approved, that is the way our committee system works, Mr. Speaker, protestations notwithstanding.

I have other aspects which must be looked into, however, on the matter of representation. This business of 10 members provided by the Lieutenant-Governor-in-council. What reason have we to believe on this side of the House that those members will not again represent the corporate community, as they have endlessly represented the corporate community, in the past?

Why has the Minister of University Affairs (Mr. White) not been able to assure us that the 10 members to be appointed by the Lieutenant-Governor-in-council—which means by the Minister of University Affairs, taking his instructions from the Premier (Mr. Davis) I suppose, on this matter—why has he not been willing to tell us from which sectors or from amongst which names those members will be chosen? Why not accede to the suggestion of my colleague, the member for Peterborough, that such names might be brought before the committee on human resources, and that the Legislature have some say in the deliberations of who is to be chosen?

The past practice of interlocking directorates and what has happened to the university community as a result is most unpalatable to us, and we require some assurance.

The executive committee of 10 grants one student the right to sit amongst those favoured 10. One student? Surely the minister mocks the Legislature. One student among the 10 on the body to which is given most of the major decisions.

As a matter of fact, Mr. Speaker, I remind you, sir, that it says:

The executive committee may deal with any matter that is within the responsibility of the governing council, but no decision

of the executive committee is effective until approved by the governing council, or unless the governing council has previously signed authority, therefor, to the executive committee.

Well of course, much authority can be surrendered to the executive committee. Imagine what the executive committee would be like if one of the appointments was the provincial Treasurer. I am sorry, the Minister of Highways and Communications. I ask you, Mr. Speaker, to think of what the complications and implications might be.

Hon. C. S. MacNaughton (Minister of Transportation and Communications): The hon. member does not have to be sorry about that. No need to be sorry about that, my friend.

Mr. E. W. Sopha (Sudbury): Cool it!

Hon. Mr. MacNaughton: I just want to tell him he does not have to be sorry that is all. I will accept the hon. member's admonition and cool it for a while.

Mr. Sopha: Take it as it was said.

Mr. Lewis: Mr. Speaker, the executive council and the unicameral body, as it has been called, with all the flaws that have been noted, run totally counter to everything that we accept by way of representation and by way of parity. It is, in many ways, a mere artifact, and the bill in that sense is simply a design cabinet, a showcase. It will contain Claude Bissell's memorabilia of how to restructure a university without conceding anything; and if ever there was a man capable of that kind of device it is President Bissell.

I acknowledge his capacities in those regards, but I see no reason why we have to accept a bill flawed in this fashion. The minister says to me and to the rest of the Legislature he has flexibility. Flexibility is not enough; commitment is what is required. And we ask of him the commitment of parity in this Legislature this evening. Without it, that part of the bill is unacceptable.

The second point, Mr. Speaker, so I do not prolong it, is the question of openness. I think for all of my colleagues in the New Democratic Party that that is absolutely central to the theme. I think largely that is what the member for Riverdale (Mr. J. Renwick) had in mind this afternoon when he talked at some length both about accessibility and accountability and related them both to openness.

The universities in Ontario have hitherto been closed communities. There is no reason to believe that this bill will alter them in any great particular. They are elitist and not only in the sense that the yare class-structured institutions, as all members know. Where amongst those who govern the universities have come the cries to alter a preprimary and primary education in a way which would allow eventual equal access to the university community? The voices come from the Legislature; they come from outside; they come not from the university itself, not for those who sit on boards nor from those who are involved in the decision-making process. In that sense the university is elitist.

It is elitist in another sense; it is elitist in the sense that the advisory committee and the formal committee of university presidents and the various subcommittees have engaged and are engaging in what might be called managerial autocracy.

If we put our stamp on this bill, then we put our stamp on the perpetuation of managerial autocracy. By and large, most things will remain intact. It will have a sort of democratic subterfuge. As my colleague from Peterborough said this afternoon, I thought rather well—democracy on paper with the possibility of tyranny in fact. It is those possibilities which we would like to preclude. I think he meant tyranny in the symbolic and descriptive sense as well as in the operative sense. We want to ask—when my colleague from Lakeshore put the principle of openness very strongly it was key to what he said—and what we want—

Mr. V. M. Singer (Downsview): But he supported the principle of the bill.

Mr. Lewis: —to know, Mr. Speaker, is why can we not have a guarantee in this bill of the disclosure of interests itemized by many members on this side of the House, which is surely a fundamental principle omitted from the bill. Why can we not have a guarantee in this bill of the openness of meetings? Since when must the university operate constantly behind closed doors? What gives it such privilege as opposed to almost every other publicly funded institution in the province to operate solely behind closed doors? Why should it forever be a mysterious citadel, rather than a public sanctuary, as it were?

Why is it not possible to write within this bill an appeal procedure, some safeguard for civil liberties; however little they may count in the minds of the technocrats, bureau-

crats, and even autocrats, who have run the university community hitherto—matters of accessibility, a student who is turned down for reasons unexplained—why no appeal?—hirings and firings and tenure, examinations? Where are the open appeal procedures? What is there in this bill that can give a sense of openness to the university community?

It seems to us, Mr. Speaker, that to ask that the universities be democratized in this fashion is fundamental to the bill, fundamental to any civil libertarian concept. I must say for the minister involved, I suspect he shares some of that, although obviously the bill will not go that far unless he is prepared to concede it hereafter.

We accept the difficulty of the total legislative perusal. Obviously it is tough to scrutinize the nuts and bolts of every single university transaction.

We concede that this faces the Legislature with a dilemma, but we do vote the money for these institutions, and we do have them before us under the estimates of The Department of University Affairs. I wanted to put the point, Mr. Speaker, that there is no intrusion on the autonomy of the university. There is a great assist to academic freedom if we discard the manipulations of the managers by reinforcing all those aspects which are free, democratic and public; and that spirit should be well enfolded in this legislation, which it is not.

It is faulty in the area of openness beyond anything that any of us expected. It is not enough to have the quiet affections and mutual devotion evidenced between the minister and many of the presidents, and the presidents' committee and Dean Wright and many others. I know that the minister shortly after taking office announced at a trumpeting press conference that which had been in the works for some time, that there would be a cut in grants for graduate studies and with it, we were told, the demolition of the university presidents. They had finally met their match and been vanquished. The minister John White was no sooner in his portfolio, Mr. Speaker, than he took them all on, not tilting at windmills but thrusting forward.

Hon. Mr. MacNaughton: He is capable of doing it, too.

Mr. Lewis: Right! That is hardly a sufficient basis on which to judge the evolution of university life. There is far more to this bill.

Hon. Mr. MacNaughton: The member relies on his friend to the left.

Mr. Lewis: This bill, if I may say, shows that the minister is largely willing to capitulate to those aspects of university life which have been in many ways offensive in the past. Without safeguards and legislation, Mr. Speaker, the principles are largely unimpressive. The review five years hence will mean little. The patterns will have hardened, not only for the University of Toronto but for all the provincially assisted universities in Ontario.

Therefore, whatever fight there is to wage should be waged now on the basic propositions which this party has put as fundamental to the principle of the bill. No. 1, representation and parity; No. 2, the proposition of openness as it operates everywhere. On all of these things, we feel compelled to take the stand in opposition on second reading.

If the minister accedes to the arguments, as indeed he should and doubtless wishes to do, then we, too, have sufficient openness, as we are calling for within the bill, to reconsider the position. But as the bill now stands, as the minister has thus far put the case, as we now read its contents, it would be wrong to support the principle.

Mr. Singer: Mr. Speaker, I was watching closely—

Hon. Mr. MacNaughton: That was a bunch of clap trap I might say!

Mr. Singer: —as the leader of the NDP sat down to see whether the hon. member for Lakeshore (Mr. Lawlor) was going to join in the applause. He has now. I am very glad that he has now because I listened with some interest to his comments, Mr. Speaker, and to the comments of the hon. member for Peterborough. The hon. member for Lakeshore, let us say, took one extreme. What did he say? He had this to say, and I have marked a couple of extracts from his speech and I thought they might be of some interest to repeat. He said "I have not heard a great deal; I have not heard any, as a matter of fact, objection to what I consider the heart of this particular bill." Then he went on to expand at some length saying how he thought it was a pretty good bill. Then he said—

Hon. Mr. MacNaughton: That is a bunch of clap trap.

Mr. P. D. Lawlor (Lakeshore): Read the parts about McRuer.

Mr. Singer: Then he said, Mr. Speaker, "As for the lay representation"—that was one point that the hon. leader of the NDP laid some stress on, and the view of the member for Lakeshore is somewhat different. I thought it should be repeated and put in the record again.

"As for lay representation, speaking for myself"—and I am quoting the comments of the member for Lakeshore directly from Hansard—"personally I do not think there is anything wrong. I think in their equality of vote at least let us test it and see how it works out."

Mr. Lawlor: What does the member think—

Mr. Singer: Well, now that is what he said.

Mr. W. G. Pitman (Peterborough): Read all of it.

Mr. Lewis: The member is quoting it out of context.

Hon. Mr. MacNaughton: It comes back to haunt him.

Mr. Singer: I do not understand, Mr. Speaker, why these hon. members are getting so excited. I am merely repeating what was in Hansard this afternoon, that is all. If that bothers them, as little as a couple of hours later than their own remarks, I just do not understand them.

Hon. J. White (Minister of University Affairs): The fight is over here boys.

Mr. Singer: Then finally, Mr. Speaker, he said:

May I just finish by saying—

Interjections by hon. members.

Mr. Singer: He concludes his remarks in this way:

May I just finish by saying I have been speaking this afternoon for myself alone. I cannot judge that my colleagues are all completely in accord with me, as perhaps you will discover very shortly.

Mr. Lewis: That is fine.

Mr. Singer: Well that is fair enough, Mr. Speaker, and I hope that the hon. member for Lakeshore has his vote where his mouth is, that is all. When the vote is called in due

course I would hope that he stands up and supports with his vote exactly what he said.

I thought it was worthy of note, Mr. Speaker, because listening to these various gentlemen speak, the member for Lakeshore took a position and I respect him for that position. The member for Peterborough sort of straddled the fence, he had one leg on either side; then along came the member for Riverdale with "we say" and "we do." It is easy to see who won over the dinner hour—the member for Riverdale won out.

Mr. Sopha: He always does.

Mr. Singer: That is fine. Mr. Speaker, it is very fascinating that when this occasionally happens in this party—and we believe this is a democratic Legislature where members are entitled to come—when on the odd occasion this might happen in the official opposition, our friends here on the left think it is a great victory that there is dissension within the Liberal Party. Well, I say this is a part of the normal democratic process, and I do say that the sanctimonious unction which surrounds the views that come forward from these self-righteous characters on our left is so misplaced, Mr. Speaker, that they should understand that they are not the only ones who have differences of opinion.

Mr. Speaker: Perhaps we would discuss the principle of the bill.

Mr. Singer: All right, Mr. Speaker, I am going to discuss the principle of the bill. Let me say simply this: My remarks—

Mr. W. Ferrier (Cochrane South): It takes one to know one.

Hon. Mr. MacNaughton: I find it very entertaining. Entertaining is the word. One could not ask for anything better, and the seats are free.

Mr. Singer: My remarks are going to be very brief.

Hon. Mr. MacNaughton: Ringside seats—it is beautiful.

Mr. Singer: We believe, as enunciated by my colleagues from Scarborough East, from Sudbury, from York Centre and by my leader, that there is much in this bill that commends itself to us and to the people of Ontario, and for those reasons we are going to vote in support of the bill.

We believe, sir, that the unicameral system that is suggested in this bill is a very

substantial advance. We know as well that the present system that exists in the University of Toronto, with all the discussion that has gone on, has resulted in a real paralysis of the whole system. Therefore, sir, for the reasons that have been much better enunciated by my colleagues than I am going to deal with at the present time, we are going to support this bill because we believe it is a step forward. There are the reservations that were expressed by my colleagues, and those reservations hopefully either will be cleared up in committee or will be remedied at a later time by a new government.

In any event, sir, I want to assure you that we in this party, having examined this bill—and you can understand that by listening to the remarks of my various colleagues—believe that the bill is a step forward and for those reasons we are going to support it.

Mr. Speaker: Is there any other member who wishes to speak to the bill before the minister concludes the debate?

Hon. Mr. MacNaughton: The member for Scarborough West wasted a lot of time and verbiage. He really did.

Hon. Mr. White: Mr. Speaker—

Hon. Mr. MacNaughton: Ah! Harken to this.

Hon. Mr. White: I am very grateful for the members who have taken part in this debate—

Mr. C. G. Pilkey (Oshawa): Wind him up.

Hon. Mr. White: —and I anticipate that some number of the suggestions offered will find their way into the bill, when we go into standing committee on human resources and, perhaps, if we go into the Committee of the Whole House.

I commend in particular my very dear friend, the member for Lakeshore, who once again has brought his philosophical understanding, his compassion and his humanity to bear on this legislation.

Hon. Mr. MacNaughton: Plato, Aristotle, and the rest.

Hon. Mr. White: I thank the member for Riverdale who once again has illuminated the hills and valleys with his strong intellect and weak judgement.

Mr. Lawlor: The Minister of Transportation and Communications should be quiet.

Hon. Mr. White: I thank the members for Sudbury and Downsview for providing some comic relief—

An hon. member: Is that a fact?

Hon. Mr. White: —when tensions were becoming very high.

Mr. Sopha: The minister is an easy subject because he is inevitably comic.

Hon. Mr. White: And now I say, Mr. Speaker, with the member for Sudbury, I remember 1967 very well. It was centennial year. It was the year of Expo 67, when our hopes rose so high. It was the year that the Progressive Conservatives in Ontario won the eighth election in a row under the leadership—

Hon. Mr. MacNaughton: Is the member for Sudbury really reading the paper? Is he really?

Hon. Mr. White: —of our dear friend, the member for London North (Mr. Robarts). It was the year of the University of Western Ontario bill and it was the year of the most despicable speech that we have heard in this chamber in the last 12 years—

Hon. W. D. McKeough (Treasurer): Hear, hear!

Hon. Mr. White: —by which I mean the part played in the debate by the member for Sudbury.

Mr. Sopha: I never recanted that speech.

Hon. Mr. White: No? Well, the member should have, because now that he has become a counsel for Her Majesty the Queen, and a bencher—

Mr. Sopha: It shows how good the minister's arguments are when he has to descend to personalities.

Hon. Mr. White: —of the Law Society of Upper Canada, and a member of the board of governors of Huntington College. Now that the member has taken all these honours, "Just for a handful of silver he left us—"

Mr. Sopha: I did not use that phrase.

Hon. Mr. White: "—Just for a riband to stick on his coat."

I remember when he levelled that charge against the hon. gentleman who is now the Premier of this province (Mr. Davis)—

Mr. R. F. Ruston (Essex Kent): The Minister of University Affairs.

Hon. Mr. White: —and since that time he has reached out and taken every honour—with his own integrity, of course, unimpaired.

Mr. Sopha: What honours? What honours?

Hon. Mr. White: The Western bill, which has been touched on by speaker after speaker here today—

Mr. Sopha: It is about time the minister got around to some argument.

Hon. Mr. White: —I think has not been fully or fairly described. The bill we passed here and which stands on the statute books was passed in a secret ballot vote by faculty members and students by an overwhelming majority. I think it was—

Mr. Sopha: The minister will ruin every university in Ontario before he is finished.

Hon. Mr. White: —eighty-seven per cent.

Mr. Sopha: Balderdash.

Hon. Mr. White: And when the election came along a few short months afterwards, the students on the campus voted two to one in favour of the person who had introduced that bill, the member for London South.

An hon. member: Hear, hear!

Interjections by hon. members.

Hon. Mr. MacNaughton: Why does not the member go back to his cave and let his hair grow?

Hon. Mr. MacNaughton: Mr. Speaker, the proof is in the pudding.

Hon. Mr. MacNaughton: Why does he not do that?

Mr. Lewis: Say, there is a line—"for a handful of silver."

Hon. Mr. White: Four years have gone by during which the University of Western Ontario has made great strides in a number of areas, not the least of which has been a harmonious conjunction of the students' inspiration, the faculty members' expertise, the administrator's managerial talents and the undoubted energies and abilities of the members of the board of governors.

Mr. Sopha: The minister knows and the danger is that he believes it.

An hon. member: Hear, hear!

Hon. Mr. White: And so we have proved in the last four years that the bill we passed here, and which the hon. members opposite would like to condemn has, in fact, worked and in working has proved the judgement of the government of the day.

Mr. Sopha: The minister is fast losing my support. Just keep it up.

Hon. Mr. MacNaughton: The member for Sudbury wants to pick up his newspaper again.

Hon. Mr. White: I think it might be said, Mr. Speaker, that the three young men who hovered about the office of the member for York South (Mr. MacDonald) and the office of the member for Brant (Mr. Nixon) all became, with a matter of a few weeks, full-time paid workers for the Liberal Party.

Hon. Mr. MacNaughton: I thought they were getting—

Hon. Mr. White: One in Ottawa and two in western Ontario.

Hon. Mr. MacNaughton: I thought the deputy leader set the tone for the caucus over there.

Hon. Mr. White: It may be that the vote of the students and the vote of the faculty members was more representative of the feeling on that campus than the—

Hon. Mr. MacNaughton: The member does not know the first thing about it, so forget it.

Mr. M. Gaunt (Huron-Bruce): Who, me?

Hon. Mr. MacNaughton: Yes!

Mr. Gaunt: I do not think the Minister of Transportation and Communications knows very much about it either.

Mr. Lewis: How come the minister took those ODC grants—

Hon. Mr. White: I am not interrupting, am I?

Hon. Mr. MacNaughton: Sorry, I am interrupting the minister. My apologies. Make a note of my apologies to the minister would you please? Would you record that?

Hon. Mr. White: I conclude, Mr. Speaker, that the ballot taken at the request of the university was more representative of the feeling on that campus than were the un-

doubtedly attractive representations made by the three young Liberals who persuaded the committee, temporarily only, to make certain changes which the government found it impossible to accept.

Hon. Mr. MacNaughton: Also make a note that the member for Sudbury is reading his newspaper again.

Hon. Mr. White: Mr. Speaker, I think it is not necessary for me to recapitulate the philosophy which I attempted in my untutored way to express during the estimates of The Department of University Affairs.

As the member of the New Democratic Party has said, that was a very serious endeavour on the part of members on both sides of the House to deal with the changing needs and objectives, the methods in the universities and other educational institutions. I stand behind the remarks I made at that time which I think will indicate my general approach which is progressive, which is open, which is innovative, with great emphasis on accessibility, with emphasis on the interaction between the university community and the community as a whole, while the integrity of the institution itself is preserved. I think I do not have to recapitulate that for the members of this House.

Hon. Mr. MacNaughton: Of course not!

Hon. Mr. White: But rather let me summarize very briefly what I saw to be the principles of this bill on introduction, at which time I dealt with the timing. I explained something of the background of the bill, the serious work done on the campus by the various constituencies within the university.

I dealt briefly with the unicameral form of government in expressing the government's expectations that it will work and work well to serve the university proper and the broader community of which it is a part. I dealt with the 50-50 ratio between the outside and inside representatives and while that has had some opposition I think this is very largely dispersed. I dealt at that time, you will recall, with the government's determination to accept the responsibility for appointing the 14 members as shown in one of the sections as being those of the Lieutenant-Governor-in-Council.

What I had overlooked, Mr. Speaker, I confess it now, was perhaps the most important principle of all. I just became aware at 6 o'clock tonight of the fact that this is

where we part company, certainly from the New Democrats and maybe from the Liberals. This principle repeats itself time and time again as we deal with detail after detail in succeeding sections of the Act.

That principle, Mr. Speaker, is this—and I put it forward as a challenge to members of the opposition—are we to trust the students? Are we to trust the teachers? Are we to trust the administrators and alumni and representatives of the lay public who constitute the governing council of the University of Toronto? We on this side say yes—

Mr. Lewis: What lay public? Who? The corporate elite is the lay public? Some lay public that is!

Mr. Pitman: What students?

Hon. Mr. White: The members on the opposite side say no, and so we say—

Mr. J. Renwick (Riverdale): Is the minister going to trust the one student on the executive committee?

Mr. Lewis: That is the division. The minister is right.

Mr. J. Renwick: We are glad to divide on that issue.

Hon. Mr. White: The members on the opposite side say no, and so we say that the students who are elected and the faculty members who are elected and the administrators and the alumni and the members of the public should be empowered to deal with a wide variety of matters. We should not constrain them as they establish their rules of procedures, their committees.

Mr. T. Reid (Scarborough East): Why does the minister appoint a chairman and vice-chairman?

Hon. Mr. White: Pro tem, of course, to get the thing started.

Mr. Lewis: Pro tem? For five years until the review.

Hon. Mr. White: I will not be distracted by that. Let me apply this general principle if I may, Mr. Speaker, to some number of the illustrations which were advanced by the members of the party opposite. The matter of appeals was dealt with. Now we have here in this House enshrined on the statute books of this province, 500 of the 539 recommendations of McRuer. My friend, the Minister of

Financial and Commercial Affairs, will tell me if I am mistaken.

Hon. A. A. Wishart (Minister of Financial and Commercial Affairs): Many more!

Hon. Mr. White: More than 500! We have in recent weeks introduced historic bills which will be touchstones in the life of civil liberties in this province. In all of those matters in which we have a direct responsibility we are providing for open hearings, for witnesses for appeals against arbitrary decisions. All of these, of course, apply to every individual in the university community.

Mr. Singer: What about the bill of the Minister of Energy and Resources Management (Mr. Kerr) where everything is going to be done by regulation? How does that fit in with McRuer?

Hon. Mr. White: Every one of these safeguards applies to each of the citizens who finds himself, short term or long term, on the—

Mr. Singer: Everything is going to be done by regulation. That is certainly in keeping with McRuer.

Mr. Sopha: This self-adulation is so indecent somebody should call the police.

Hon. Mr. White: —on the campus of the University of Toronto.

Now we have to ask ourselves whether we legislators are to impose in detail the form of hearings, the form of appeals which will bind the members of the university community, not as citizens of the Province of Ontario, but rather as members of that particular institution. I hold the view, Mr. Speaker, that we do not need to do so.

Mr. J. Renwick: They are not there. They do not exist. Ask the Minister of Financial and Commercial Affairs. These bills do not even touch the principle that the minister is talking about.

Mr. Lewis: Just a route of appeal.

Mr. J. Renwick: The minister does not understand the bills he is talking about.

Hon. Mr. White: The 42 people elected and appointed to the governing council will have the responsibility, the wisdom, the intellect to so structure their own new government and its emanations that those individuals who come within their ambit will be fully protected.

Mr. Lewis: On what basis, where is the guarantee?

Interjection by an hon. member.

Hon. Mr. White: I turn now to the matter of remuneration, Mr. Speaker, and say to you that there is nothing to preclude the governing council from paying itself, or some of its members, or providing expenses for those individuals who have some distance to come. In fact, I think this is in no way different from arrangements which must of necessity be made to accommodate students who serve on the governing council, faculty members and administrators who will have to have time off in order to fulfill this particular responsibility.

So I equate time off with remuneration and with other special arrangements, all of which are left once again to the wisdom and the responsibility of the members of the governing council.

We have heard quite a lot about open meetings. Can one envisage this heterogeneous group of 42 members drawn from every quarter of the society, drawn from every constituency within the university community, hiding itself in some restrictive secret fashion to make mysterious deliberations and pronouncements?

Mr. Lewis: No, but one knows what goes on. How hard won free debate is.

Hon. Mr. White: Because, in fact, Mr. Speaker, the very heterogeneity—

Mr. J. Renwick: The public has a right to know.

Mr. Lewis: Nonsense! We heterogenists, do we hide ourselves in this Legislature? Where is the heterogeneity?

Hon. Mr. White: —which we introduce in this bill with respect to the governing council is proof, and proof positive—

Mr. Speaker: Order!

Hon. Mr. MacNaughton: The members are doing it now.

Mr. J. Renwick: The public has a right to know. Look at the financial disasters the government brought on this province by its failure to disclose.

Mr. Lewis: Look at the expropriation of land by the University of Toronto, if the minister wants to know about secret meetings.

Hon. Mr. White: —proof positive that in no way will this governing council be led into those treacherous shoals of secrecy which one can and does experience with a heterogeneous governing council.

Mr. Speaker: Order!

Hon. Mr. MacNaughton: That is a diversionary exercise.

Mr. Lewis: Why should it not be open?

Hon. Mr. White: It will be open?

Mr. Lewis: How will it be open?

Mr. Speaker: Order!

Hon. Mr. White: Because with this diverse and heterogeneous group one cannot possibly have secrecy.

Hon. Mr. MacNaughton: The member has been proposing this for weeks!

Mr. Lewis: Oh, come on! The minister laughs at it himself.

Hon. Mr. MacNaughton: Yes, the member has!

Hon. Mr. White: Now, another point mentioned was conflict of interest arises—

Mr. Lewis: I would like to hear the Minister of Transportation and Communications. He has tenure.

Mr. Speaker: Order!

Hon. Mr. White: —Mr. Speaker, and once again members of the opposition—

Mr. J. Renwick: The Treasurer was right. Withdraw the bill and bring it back.

Hon. Mr. White: —would have us believe—

Hon. Mr. MacNaughton: On their vote?

Hon. Mr. White: —that faculty members are not to be trusted in this matter of conflict of interest, that the governing council is not responsible enough to establish its own rules of behaviour.

Hon. Mr. MacNaughton: Come on, stand up and be counted for a change.

Hon. Mr. White: Here again, we on the government side, say that the governing council is a responsible body and can be trusted—

Mr. Lewis: Well, of course it is. Why should it not be open, if it should be trusted?

Interjections by hon. members.

Hon. Mr. White: —to establish for itself rules governing conflict of interest and all other matters affecting the public weal.

Mr. Sopha: Because the minister lacks argument, does he have to descend to the rhetoric of the dissimulator?

Hon. Mr. White: The question of tenure was raised—

Interjections by hon. members.

Mr. Speaker: Order!

Hon. Mr. White: —but the bill in no way alters the deep-seated tradition of tenure at the University of Toronto; in no way does it interfere, even if at some later date the governing council should seek to modify the concept of tenure in whatever fashion. Here again, Mr. Speaker, we on the government side are prepared to trust the students, teachers, administrators, alumni and members of the public—

Hon. Mr. MacNaughton: See! The member should have been saying that to the member for Peterborough!

Hon. Mr. White: —who constitute the government of that great Canadian university.

Mr. J. Renwick: That is the minister's conception of academic freedom?

Mr. Lewis: He has trusted the university until now and he has brought in this bill to retrieve the past. Some trust!

Hon. Mr. MacNaughton: It is on the record. Does the member deny it?

Hon. Mr. White: So far as the numbers of students and teachers are concerned—

Hon. Mr. MacNaughton: He cannot deny it. He cannot.

Hon. Mr. White: So far as the numbers of students and teachers are concerned—

Mr. Lewis: Mr. Speaker, will you draw the Minister of University Affairs to order and allow the Minister of Transportation and Communications to speak?

Interjections by hon. members.

Hon. Mr. MacNaughton: It is not a matter of speaking. Let the record show that.

Mr. Lewis: The Minister of Trade and Development (Mr. Grossman) is calling for the minister in committee.

Mr. Speaker: Order, please. Order!

Hon. Mr. MacNaughton: I will tell my friend what he can do.

Mr. Sopha: Oh, tell him!

Mr. Lewis: No, I do not. Would the minister tell me?

Hon. Mr. MacNaughton: Yes. The member can drop dead!

Mr. Sopha: I was going to ask the Hansard girl to put her fingers in her ears!

Hon. Mr. MacNaughton: I will even go to his wake!

Hon. Mr. White: Mr. Speaker, my colleagues were very patient with me, and I am almost finished—

Mr. Lewis: Another ounce and the minister could have brought himself here.

Hon. Mr. MacNaughton: I will. I will go to his wake.

Hon. Mr. White: Finally, let me deal with the important points raised by the leader of the NDP.

Mr. J. E. Bullbrook (Sarnia): Both ministers are filled with helium. They want to rise all the time.

Hon. Mr. White: The matter of parity is one of these catch phrases which I am afraid may lead us into avenues which are unexpected. I myself have absolutely no objection to the students having the same number of members as the faculty, while quite understanding the faculty's insistence that they have more, for reasons which they will explain while the matter is in committee, but I think we should not be seduced by the cry-word "parity," which at the moment has such appeal for some number of people.

I hope when we are in committee that the pros and cons of altering these numbers can be dealt with aside from sloganeering. I hope in the process that the intuition and experience of the diverse group of men and women who constitute the standing committee on human resources can weigh off idealism against experience, youthful imagination against the caution that comes with years of service. I hope in the process that we can, in fact, establish a balance—

Mr. Bullbrook: It is a kind of divine right pronouncement the minister is making now.

Hon. Mr. White: —which will be acceptable to both of the groups concerned, and which will work well for the university as a whole.

Interjections by hon. members.

Mr. Speaker: Order!

Hon. Mr. White: In any case, I recognize the arbitrariness of selecting the numbers among this 42, and at best it is imperfect. We ourselves insist on 50 per cent, yet we count the chancellor among the 21 from outside, and he may or may not be amongst that number. So we are simply trying in this imperfect way to approximate what we construe to be the needs of the public at large.

Mr. Lewis: That is not a good defence.

Hon. Mr. White: It is the only defence one can offer in matters of arbitrary decision.

Mr. Sopha: Empty rhetoric!

Hon. Mr. White: And so we throw ourselves on the accumulated wisdom of the members of the standing committee, and let them make this determination.

Mr. Lewis: All right.

Hon. Mr. White: I will be very interested indeed, Mr. Speaker, to see what emanates from the debate which will occur in committee.

Mr. R. F. Nixon (Leader of the Opposition): Not going to let that same mistake happen twice?

Hon. Mr. White: But if one thinks that this is a simple matter which can be in some fashion proven, as "x" equals "y", one is very much mistaken.

Interjections by hon. members.

Mr. Lewis: No, not at all. It is a simple matter of what representation the minister allows certain groups.

Hon. Mr. White: The matter of openness, Mr. Speaker, is a very—

Hon. Mr. MacNaughton: Research on that will hurt the member.

Mr. Pitman: What will?

Hon. Mr. White: The matter of openness is a very—

Hon. Mr. MacNaughton: The member's mouth.

Hon. Mr. White: —is an intrinsic part of the structure which we now offer to the Legislature as the skeleton for the new government of the University of Toronto.

Mr. Bullbrook: Somebody must prick the minister some day. He and the Treasurer must be pricked some day, because they are like a balloon filled with helium. President of the cabinet! Is that not wonderful?

Mr. Lewis: The member is extraordinarily noisy tonight.

Mr. Bullbrook: Oh ho! He has descended to the people all of a sudden.

Mr. Speaker: Order please! The hon. minister has the floor.

Mr. Pilkey: The natives are restless!

Mr. Bullbrook: We have never seen—

Hon. Mr. White: I live in hope that—

Mr. Bullbrook: —anyone like that fellow right there, except the Treasurer. That is the only one he quotes.

Hon. Mr. White: Some number of people in Sarnia will read the member's interjections.

Interjections by hon. members.

Mr. Speaker: I said order please!

Hon. Mr. White: I should not think he will be sending a lot of these Hansards to Sarnia, if I may say so.

Interjections by hon. members.

Hon. Mr. White: The matter of openness is certainly a matter of concern to all of us in this Legislature and we envisage an open structure—do not think we do not—accountable and accessible. This deliberation was made in public for the reason I have given before, and that is this heterogeneous group by its very definition cannot be other than open. If anyone thinks that a half a dozen or so students and some number of faculty members and the other diverse representatives in a group totalling 42 are going to keep anything secret, I think that one is misleading oneself.

The leader of the New Democratic Party used the words, "But we do vote this money"; and so this becomes a final check so far as the public interest is concerned. Here

again, I think, we find emphasis for our point of view, namely that the 42 members of the governing council are to be trusted with these responsibilities and that they do not need constraints in detail governing a variety of matters within their ken, but rather can be left to make their own judgements in the matter. The structure is the guarantee.

Mr. Lewis: The structure?

Hon. Mr. White: The structure is the guarantee of openness, and I think that time will prove me right; because, Mr. Speaker, this is a new structure entirely. As the hon. member for Lakeshore has said, this is a new structure of government and its emanations will be new.

In this respect, the situation is quite different from that understood by the member for York Centre (Mr. Deacon) and many of his colleagues I think perhaps some representatives of the university have seen the new governing council imposed as a new layer on a tall layer cake. But, in fact, this is a new structure of government and it replaces the board of governors and the senate and eventually, one should think, the various committees and councils of these elements in the government which it has served to this time.

Mr. Speaker, we are dealing not with a day nursery. We are dealing not with a day nursery at the WoodGreen Centre. We are dealing with Canada's greatest university and, in its new government, we bring together for the first time, in any university in this country the constituencies which make up that great university. We bring together the dedication, abilities, talents and energies that have brought the University of Toronto to its paramount role in this country and to a pre-eminent role internationally. And may I say parenthetically that the University of Toronto this year was awarded more Woodrow Wilson scholarships than any other university on this continent.

Mr. Bullbrook: The minister sounds like the Premier and the students are for the people and that kind of thing. He really is great. I think the Premier writes the minister's stuff too.

Hon. Mr. White: A half a dozen times as many as Harvard and the University of Chicago were awarded.

Mr. Lewis: I thought it was "a bush-league Harvard"?

Hon. Mr. White: Yes, well if the member quotes me out of context on that he will get another debate right now.

Mr. Lewis: Well, I am quoting the minister in context.

Hon. Mr. White: No, the member is quoting it in the context of the Globe and Mail article.

Mr. Lewis: "More scholar for your dollar, and 16 bush-league Harvards." The minister does not even know how many universities there are in the province.

Hon. Mr. White: Mr. Speaker, I say in conclusion, that we are not dealing with a nursery school, we are talking of the University of Toronto, we are dealing with the greatest university in Canada—

Mr. Bullbrook: The minister is filled with helium. He will float right up there very shortly I am sure.

Hon. Mr. White: —and we on this side say that the students and faculty members, the administrators, the support staff, the alumni and the citizens—

Mr. J. E. Stokes (Thunder Bay): The minister is becoming apoplectic.

Mr. Lewis: They are all one disproportionately unrepresentative organization.

Hon. Mr. White: —who will constitute the governing council are to be trusted and that the wisest thing that we can do is leave to their responsibility, to their expertise, the liberty to constitute in detail the committees and procedures and rules of that university.

Mr. Lewis: Why does the minister bring in the bill as he has structured it? He has constrained it. The House leader is flushed in his seat.

Hon. Mr. White: So I invite every member to support this bill on second reading. With your permission, Mr. Speaker, I should like to point out that we will take this bill into the standing committee on human resources at 10:30 tomorrow morning in committee room no. 2. All members are invited to attend.

Mr. T. Reid: That was a pitiful reply.

Mr. L. M. Reilly (Eglinton): I thought it was pretty good.

Hon. Mr. MacNaughton: Of course, the member for Scarborough East is pitiful to start with.

Mr. Bullbrook: The member for Eglinton is a great sleeper.

Mr. Lewis: And he has lots of competition on that side.

Hon. E. Dunlop (Minister without Portfolio): Best speech on second reading of this bill.

Mr. Speaker: The motion is for second reading of Bill 80.

The House divided on the motion, which was approved on the following vote:

AYES	NAYS
Allan	Bolton
Apps	Burr
Auld	Ferrier
Bales	Gisborn
Belanger	Jackson
Bernier	Lawlor
Braithwaite	Lewis
Brunelle	Makarchuk
Bukator	Martel
Carruthers	Peacock
Deacon	Pilkey
Downer	Renwick
Dunlop	(Riverdale)
Dymond	Stokes—13
Edighoffer	
Evans	
Gaunt	
Gilbertson	
Gomme	
Good	
Grossman	
Haggerty	
Haskett	
Henderson	
Hodgson	
Innes	
Jessiman	
Johnston	
(Parry Sound)	
Johnston	
(St. Catharines)	
Kennedy	
Kerr	
Lawrence	
(Carleton East)	
Lawrence	
(St. George)	
MacKenzie	
MacNaughton	
Meen	
Morningstar	

AYES 65 NAYS

McKeough
McNeil
Newman
(Windsor-
Walkerville
Newman
(Ontario South)
Nixon
Paterson
Potter
Price
Reid
(Scarborough East)
Reilly
Reuter
Root
Rowe
Rowntree
Ruston
Sargent
Singer
Smith
(Simcoe East)
Smith
(Hamilton Mountain)
Snow
Sopha
Stewart
Trotter
White
Winkler
Wishart
Worton
Yakabuski—65

Clerk of the House: Mr. Speaker, the "ayes" are 65; the "nays" are 13.

Mr. Speaker: I declare the motion for second reading now carried.

Motion agreed to; second reading of the bill.

Mr. Speaker: Shall the bill be ordered to standing committee?

Agreed.

AUDIT ACT

Hon. Mr. McKeough moves second reading of Bill 73, An Act to amend The Audit Act.

Mr. Nixon: Mr. Speaker, before we approve and support this bill in principle, I would hope that before the debate is completed the former Treasurer (Mr. MacNaughton) will get up and express his views about it, because

certainly we have been treated to his opinions over the years when we have said there should be a post-audit of the financial transactions of the administration, when he, as Treasurer, for a number of years would rise in his place and indicate what a fatuous answer that particular concept was to the ordering of the business of the House. Now that it has become government policy it appears that even he is prepared to swallow it, as he has grown accustomed to do under the new regime as certain matters over which he has had personal control have been reversed.

But now that we have a new Treasurer—I suppose he would be the first to call it a new wave—the government is prepared to give the Provincial Auditor the powers to undertake a post-audit of the business—

Mr. E. Sargent (Grey-Bruce): Do call on the former Treasurer. Let him speak.

Mr. Nixon: Does he want to get up on a point of order or anything like that?

Hon. Mr. MacNaughton: Mr. Speaker, I have no choice but to respond to a point of order. I have absolutely no choice.

Mr. Sargent: That is right.

Mr. MacNaughton: This matter has been examined in depth by the public accounts committee.

Mr. Nixon: Right.

Mr. J. B. Trotter (Parkdale): Why did the minister fight it?

Hon. Mr. MacNaughton: It has been examined in depth from the level of Treasury Board, and long before there was a change in office, I say to the hon. Leader of the Opposition, I concurred in the proposal.

Mr. Nixon: I am glad to hear the former Treasurer put his views on the record because the record is certainly well-laced with the opposite view which he has put forward on a number of occasions.

Hon. Mr. MacNaughton: I think, Mr. Speaker, I am entitled to rise again on the same point of order. The matter was examined in much depth over a four-year period. We responded to the admonitions of the public accounts committee of the Legislature, and we considered it carefully, favourably and well, and the decision was made to concur with the sentiments of the present Treasurer of the Province of Ontario, long before he assumed office.

Mr. Speaker: Perhaps the hon. Leader of the Opposition will speak to the principle of the bill rather than the views of the former Treasurer.

Mr. Nixon: Yes, speaking to the principle of the bill, which is the decision taken by the government to agree with the contention that has been put forward from this side on so many occasions that there should be a post-audit of government business, I would simply say that it is not often that I am prepared to commend the present Treasurer. But it took a change in the Treasurership for this decision to at least be made public.

Hon. Mr. MacNaughton: On a point of order again!

On the same point of order, I would remind the hon. member that it was during the regime of the former Treasurer and that has nothing to do with the present occupant of the office.

Mr. Sargent: And they got rid of the former Treasurer.

Hon. Mr. MacNaughton: Why does the member not sit down? I am not speaking to him. I am speaking to his leader.

Interjections by hon. members.

Mr. Speaker: Order!

Hon. Mr. MacNaughton: I would draw to the attention of the Leader of the Opposition that the Committee—

Mr. Sargent: They got rid of him.

Hon. Mr. MacNaughton: The Committee on Government Productivity was proposed by the incumbent in office and we have taken their advice in a number of things. I think the hon. Treasurer of the day will concur with that statement.

Mr. Sargent: Nonsense!

Hon. Mr. MacNaughton: And I think the hon. Leader of the Opposition knows that. And I also say to you, Mr. Speaker—

Mr. Sargent: He does not know what he is talking about.

Hon. Mr. MacNaughton: I think it is a very frivolous pursuit on his part. Very frivolous indeed. But, of course, then, Mr. Speaker, he is a very frivolous man.

Mr. Sopha: Very devastating!

Hon. Mr. MacNaughton: About as devastating as the member's leader was at the outset.

Mr. Speaker: Order.

Mr. Nixon: I thank you for your advice, Mr. Speaker, and I certainly intend to stick to the principle of this bill.

Hon. Mr. MacNaughton: Some day, on the same point of order, I will write a chapter of a book on the present Leader of the Opposition and it will be entitled "The Consistency of Inconsistency."

Mr. Speaker: Order, order!

Hon. Mr. MacNaughton: I might even include the member for Sudbury, because he does not know whether he is coming or going. It would be a best seller.

Mr. Nixon: Well, on the matter of consistency raised by the interjections of the hon. minister I would say to you, Mr. Speaker, that we approve of the change of heart recommended by the Committee on Government Productivity and introduced in Bill 73. We feel that the expenditures of each department should be approved by a comptroller in the department and that those series of financial experts, who no doubt are presently being employed to swell the throng, the 70,000 who are already administering the business of the people.

The next bill that will be before us gives us those particulars that will be under some jurisdiction from the Treasurer. I have no objection to that; I think that is appropriate as well. But the fact remains that the Provincial Auditor is going to have his independent powers strengthened considerably, so that I would hope that more and more he would become the chief adviser to the public accounts committee and make himself available, as he has in the past, to not just answer questions but to give a very full report based on a post-audit of the payments of the government accounts over each fiscal year. The second bill that comes before us does give the government itself—

Hon. Mr. MacNaughton: Now that he has got it, why is the member complaining about it?

Mr. Nixon: —as is proper—

Mr. Sargent: Go home!

Mr. Nixon: —the responsibility to have an internal pre-audit—

Hon. Mr. MacNaughton: Why does the member not take off in his airplane again and absent himself for one week—to Chicago or some place.

Mr. Sargent: Oh, come on now, the minister does not mean that really.

Mr. Nixon: There are occasions where it is proper to be absent, and I indicate to the Minister of Transportation and Communications that he consider that.

Mr. Speaker: Order!

Hon. Mr. MacNaughton: Fly to New York or some place.

Mr. Nixon: And so, Mr. Speaker, I have nothing further to say on that at this time.

Mr. Speaker: The member for York Centre.

Mr. Deacon: Mr. Speaker, there are three types of auditing that can be done in order to give a really proper objective view of the state of the public accounts. In this Audit Act I see really only the provision for a very simple kind of audit, you might say a voucher check, to be sure that every expenditure has been legally covered, that there has been legal authority for the expenditures that have been made.

But it does not provide in the bill for the Provincial Auditor to do the type of audit, the evaluation which requires evaluation judgement, a judgement on a broader principle, that I think we need to have clearly marked out in this bill. I hope that when we consider this bill on a clause by clause basis the Treasurer will accept suggestions for amendments to the wording which will provide for the much broader type of audit that I think we need to have covered by our Provincial Auditor.

We have received plenty of evidence that this type of auditing is being done on the federal level, and we feel we need to have it provided for in this Act to ensure that our auditor in Ontario has the type of authority and the responsibility that he should have. I therefore look forward to the debate at the committee stage and hope that the Treasurer will accept the amendments that will provide for the broader type of audit.

Mr. Lawlor: Mr. Speaker, as spokesman for this party on The Audit Act, I think I may say with a fair measure of assurance that I will find it possible to bring my party into line on this issue and that we will accept this particular bill.

Mr. Nixon: The member had better wait until the member for Riverdale speaks.

Hon. Mr. MacNaughton: Let us not have any nugatory remarks.

Mr. Lawlor: May I remind the minister that two years ago, when I sat on the public accounts committee, and he had attend before us the previous Treasurer of this province, he gave no indication at that time whatsoever of his bona fides, and his goodwill and that business. Pre-audit was the greatest thing in the world at that time. He did not even hint at the possibility of altering it. It suited him down to the ground.

Mr. Nixon: That is it.

Mr. Lawlor: What has happened in the meantime, of course, is that the nefarious Liberals up there tried to emasculate poor old Henderson, and all the minister's forces rose in heady vengeance against the measure. It is a little embarrassing down here below, is it not, to have the kind of pre-audit accounts that he had when all his federal members were howling to reinstitute the post-audit conception?

Where in this bill has he embodied anything close to the range of the powers and the plenitude of responsibilities that Henderson has achieved in the Ottawa scene? No one ever expects that the present auditor of the province, Mr. Spence, will come forward with the résumé, with the deep-seated and searching piece of business that we had previously come to expect as emanating out of audits as such.

Hon. Mr. MacNaughton: On a point of order, Mr. Speaker. May I remind the hon. member, and he knows it full well from the estimates of a year ago, that the advice of the public accounts committee, followed by the advice of the Committee on Government Productivity, was well accepted by Treasury Board and is now implemented, and I suggest to the hon. member that his advice to the House is nugatory.

An hon. member: What?

Another hon. member: Nugatory.

Mr. Lawlor: That is a word he borrowed from me.

Hon. Mr. MacNaughton: I use the member's own words.

Mr. Lawlor: Yes, that is right. And may I say that was the most nugatory remark I

have heard in a long time, because far from the minister accepting—

Hon. Mr. MacNaughton: We have listened to that clap-trap for two days.

Mr. Lewis: Listened to that what?

Hon. Mr. MacNaughton: Clap-trap!

Mr. Lawlor: He stands up and prates how open-minded he is. Well do we remember in the public accounts committee—

Mr. Lewis: The minister is very open-minded apparently.

Hon. Mr. MacNaughton: The member is not even able to suggest anything that is sensible. His remarks are nugatory!

Mr. Lawlor: The minister, in his high-handed fashion, riding his little horse, just dismissed arbitrarily and out of hand 50 per cent of the recommendations we made here.

Hon. Mr. MacNaughton: That is not true.

Mr. Lawlor: He wrote back in the most high-handed fashion imaginable. We were incensed in the committee with his replies.

An hon. member: Hear, hear!

Mr. Lawlor: We had to drag him before us in order to get a word of sense out of him.

Mr. Speaker: Suppose this member comes back to the bill rather than to the former Treasurer's past.

Mr. Lawlor: Well, this is the problem we have in this House.

Mr. Stokes: The member has had four points of order already. Surely we are entitled to one response.

Mr. Lawlor: The new Treasurer in this particular regard is a whiff of fresh air compared to—

Hon. Mr. MacNaughton: Philosophical clap-trap.

Mr. Lawlor: —the situation that we had to contend with previously. At least we have the move in this particular direction. The powers are not extensive enough as yet—

Mr. Lewis: That is better than the preamble.

Hon. Mr. MacNaughton: They are well recorded in the pages of Hansard too. Absurd nonsense!

Mr. Lawlor: However, it is a move in the right direction and we will accept the legislation.

Mr. Nixon: Okay. The member for Riverdale is going to get his.

Mr. J. Renwick: Mr. Speaker, I am rising to support my colleague, the member for Lakeshore—

Mr. Lewis: Hear, hear!

Mr. J. Renwick —in supporting him, as I do on all occasions in this assembly.

There are two matters that I would like to draw to the attention of the auditor when this bill is passed into law, and one of them is that it is absolutely essential in the discharge of his obligations that adequate procedures are in operation to secure the effective check on the assessment, collection and allocation of revenue. So far as the assessment of mining operations for tax purposes is concerned, I trust he will insist as one of the first items in his first report that they be transferred from The Department of Mines and Northern Affairs into The Department of Revenue so that we can be certain that the cosy arrangement which has existed under the protection of this government between the mining industries in the Province of Ontario and the government of the Province of Ontario will be broken for all time.

Hon. Mr. MacNaughton: There was a time when the member did not believe that himself.

Mr. J. Renwick: I think the second point which we have got to also—

Mr. Ferrier: We would have to change the government.

Hon. Mr. MacNaughton: The member would have a change of heart.

Hon. L. Bernier (Minister of Mines and Northern Affairs): Same old record!

Mr. J. Renwick: I would hope also—perhaps the Minister of Mines and Northern Affairs would go to his seat and then he could enter into the debate across the floor on the point.

I would also suggest, Mr. Speaker, that the auditor should give some attention to a recognition that the programme planning and budgeting system introduced by the former Treasurer into the methods of presenting the

programmes of the government of the Province of Ontario have the same basic flaws as were evidenced in the study which was made about the war in Vietnam by the man who instituted and framed—

Hon. Mr. MacNaughton: Oh come off it! Take the beads off!

Mr. J. Renwick: —the public programming and budgeting system in that government. I make the point, Mr. Speaker, that if ever there was a process of decision-making that was—

Hon. Mr. MacNaughton: Even the member for Scarborough West does not believe that. It is bunk.

Mr. J. Renwick: —shown to be totally fallacious, it is the programming planning and budgeting system of the then Secretary of Defence in the United States instituted in the defence department in the United States and taken by this Treasurer as the be all and end all way of establishing programming within the Province of Ontario. The same problem will arise as arose in the United States of America, that it made all of the right decisions, except about people.

Hon. Mr. MacNaughton: What a rotten parallel that is.

Mr. J. Renwick: Therefore, I hope that the auditor, in looking at it from the point of view of the allocation of revenue and of the expenditure of funds within the framework of the authority of this Legislature, will as a second recommendation in his first report indicate that the government discard the programme planning and budgeting system instituted by the former Treasurer of this province.

Mr. Speaker: Is there any other member who wishes to speak to the bill? Does the minister wish to speak to the bill?

Hon. Mr. McKeough: Just to say that I appreciate the support which members have shown for this piece of legislation.

Mr. Nixon: Let us hear from the former Treasurer.

Motion agreed to; second reading of the bill.

Mr. Speaker: Shall this bill be directed to the public accounts standing committee?

Agreed.

FINANCIAL ADMINISTRATION ACT

Hon. Mr. McKeough moves second reading of Bill 74, An Act to amend The Financial Administration Act.

Mr. Deacon: Mr. Speaker, I just wanted to find out if there is any intention that the auditor will have any responsibility in this, other than for the transfer of his duties for pre-audit entirely to the department? Will the departments be accountable only to their ministers for the pre-audit check? I want the minister to clarify whether there will be any responsibility of the Provincial Auditor for the pre-auditing after this is finished.

Mr. Speaker: Is there any other member who wishes to comment on this bill? Does the minister wish to reply?

Hon. Mr. McKeough: Just in answer to that question—and I would suggest that this bill be referred to the public accounts committee as well, Mr. Speaker—but the answer is no. The auditor will have no ultimate responsibility, other than through the transitional period.

Motion agreed to; second reading of the bill.

Mr. Speaker: This bill also shall go to the public accounts standing committee.

Agreed.

TILE DRAINAGE ACT

Hon. Mr. McKeough moves second reading of Bill 75, The Tile Drainage Act, 1971.

Mr. Nixon: Mr. Speaker, on Bill 75, it was explained to us that this is a reworking of the old Tile Drainage Act, with its administrative procedures streamlined and the financial limit removed. The financial limit was giving some difficulty in those communities where tile drainage is extensively made use of. Certainly I believe that the limit should be removed and it be a matter of policy that every assistance be rendered to municipalities to make use of this, what shall we say, development—it is not a development, but this facility.

Certainly it is an important Act indeed. In most areas, many municipalities have spent a good deal of time in administering the particulars of the bill. Having examined it, and I have had some comments from people in my own area who are concerned with this matter, in general there was no

criticism, no criticisms were brought to me. The feeling was that this would be an improvement over the old statute and we are in favour of it.

Mr. Speaker: Any further comment with respect to Bill 75?

Motion agreed to; second reading of the bill.

Mr. Speaker: Shall this bill be ordered for third reading?

Agreed.

ONTARIO LOAN ACT, 1971

Hon. Mr. McKeough moves second reading of Bill 76, An Act to authorize the Raising of Money on the Credit of the Consolidated Revenue Fund.

Hon. Mr. MacNaughton: Where is the member for Sudbury? Does he not want to make his redresses to the Crown?

Mr. Nixon: Oh, yes. This is the opportunity Mr. Speaker, as the former Treasurer puts it to the House, when by ruling of either yourself or your predecessor, it was made clear that any matter would be in order that might fall under the general term used by the former Treasurer a moment ago, the redress of real or imagined wrongs. I do not intend to make use of that ruling, your honour, but—

Hon. Mr. MacNaughton: The Leader of the Opposition is stalling.

Mr. Nixon: If I talk long enough, someone might bring the member for Sudbury in. I am sure there are a few areas of redress that he would like to bring to your attention, but—

Mr. Singer: Do not leave; he will be back.

Hon. Mr. McKeough: Leave him with the Trade and Development estimates.

Mr. Nixon: Mr. Speaker, on introduction of the bill, the Treasurer indicated that the larger loan limit, \$800 million, was to make it possible for the province to borrow the moneys which it was predicted would be needed to pay our accounts this year, the deficit of \$415 million, and he indicated that about \$400 million, no \$300 million—

Hon. Mr. McKeough: It was \$397 million.

Mr. Nixon:—close to \$400 million would be needed for that purpose. Mr. Speaker, there is one subsection in the bill which has been put before you on previous occasions, and that is the section which indicates that the limits in previous years are cumulative and normally the Treasurer does not borrow right up to the specific limit. There is frequently as much as \$100 million of the limit set by this statute and its precursors or predecessors which is left sort of as a cushion. It has never been made clear by even the Treasurer's predecessor, who has now left the chamber, as to why this limit or the unused portion of it, should be cumulative.

It seems to me that it is a very proper thing indeed that the Treasurer should be required by our custom and by our law, by our constitution I presume, to get the right from the representatives of the people to enter into these heavy financial undertakings by way of debt, so it seems strange that this cushion should build up year after year. Perhaps in his remarks he would be able to tell us what the total limit to provincial debt actually is. This sets it at \$800 million additional borrowing for this year, but I am sure that the limit is in fact considerably larger than that.

I feel some reference at least should be made to the fact that a large share of this limit accommodates the procedures under which the Canada Pension Plan premiums collected in this province revert for our public use to almost 100 per cent of the extent to which they are collected, and these funds then go towards the funding of the capital aid corporations that the Treasurer administers; and I suppose he uses them for any purpose at all. So finally these funds are put out at interest to municipalities, school boards, universities, community colleges—I forget how extensive that list is, we have lengthened it this year—and these moneys then are repaid to the Province of Ontario normally by means of grants paid by the province. It gets a little misty at that stage.

And then, when the funds are required by the government of Canada for their commitments to pay under the regulations of the Canada Pension Plan, the funds go back from the province to the federal government. If the Treasurer is able on this occasion to give us a bit more information about that and particularly as to how the amounts available as our share of the premiums, the Canada Pension Plan premiums, are expected to change in the future, particularly as our com-

mitment on the repayment gradually increases.

This has been a bonanza—maybe not a bonanza, perhaps a blessing is better because we have got to pay it back; bonanzas usually stay in your hip pocket. At least you have not got a responsibility of a pecuniary nature for them, but it has been a blessing in that it has assisted us in this province in financing a good deal of educational expansion since the funds started to roll in based on the Canada Pension Plan premiums.

It certainly has saved the Treasurer's predecessor in my view—at least I would suspect—from going to a much larger deficit position on public markets than was necessary because these funds were available.

Mr. Deacon: Mr. Speaker, in addition to the information for which my leader has asked, would the Treasurer also indicate to what extent this \$800 million is required for borrowing by Ontario Hydro?

Hon. Mr. McKeough: None.

Mr. Deacon: I thought on the US market, US borrowing, that the borrowing is done directly by the province, and therefore some portion of this would be required for that purpose?

Hon. Mr. McKeough: No.

Mr. Speaker: The hon. member for Riverdale.

Mr. J. Renwick: Mr. Speaker, I would just like to echo what the hon. Leader of the Opposition has said and ask the minister if he would finally explain this bill. These same questions have been raised every year about this bill, about the cumulative nature of the borrowing authority which is conferred in this bill and the annual bills which have come before us in other years. I would like to try to get some understanding of how the minister arrives at the \$800 million; and I would like to get some understanding of why in some way or other we do not cancel the authority which we granted last year, and the year before, and the year before that, and the year before that.

Otherwise, as the Leader of the Opposition has said, we simply accumulate a borrowing authority in the government which I am quite certain is not going to be misused, but seems to be an inherited procedure which requires some adequate explanation and clarification, and in prior years, from the

other Treasurers we certainly have never been able to obtain a satisfactory response.

Mr. Speaker: Is there any other member who wishes to speak to this bill? The hon. minister.

Hon. Mr. McKeough: Mr. Speaker, the bill really does refer to two things, and perhaps you would allow me to refer to page 30 of the budget, which shows that we have budgeted a net general revenue of \$3,847 million and a net expenditure of \$4,262 million, for a budgetary deficit of \$415 million. We have a non-budgetary surplus of \$71 million—and I will come back to that—and net debt requirements, which is a minus of \$49 million. This means that in total our overall cash requirements are \$393 million. Now, if we go to pages 104 and 105 of the budget we will find the detail of the non-budgetary transactions. On those two pages are listed receipts and credits totalling \$942 million and disbursements and charges totalling \$872 million, for a surplus on non-budgetary transactions of about \$71 million, which refers back to page 30 again.

Now for all those receipts and disbursements, and for the total cash requirements of the government, we lack authority for two things at this point, which is the reason we come before you with this bill. First, for whatever the overall cash requirements are, namely \$393 million; then, in all the receipts and credits totalling \$942 million, the one thing we lack authority for is the \$500 million which we received from the Canada Pension Plan. For example, the next item is a \$90-million receipt from the teachers' superannuation fund; there are credits coming in, and a disbursement on the other side—I assume something is going out. But that \$90 million comes in statutorily; we borrow from that fund. We do not have to come to the House for that authority. Similarly Hydro pays us back \$41.6 million; we do have to get authority for that repayment. We do not have to get authority for debentures issued on behalf of Hydro, which the hon. member for York Centre will note is shown as a non-applicable item on page 104, and similarly on the charge side as a non-applicable item. One would just cancel the other. So the two things we need are authority, first of all, for the total cash requirements, plus the Canada Pension Plan.

Now, to explain our position as easily as I can, we have to seek authority then for the \$393-million cash requirement plus the \$500 million which we propose to borrow

from the Canada Pension Plan, for a total of \$893 million. That in theory is what we need; if we needed the \$393 million. We may draw down our reserves; we may or may not borrow the full \$393 million, but for argument's sake let us say we are going to borrow it all, which means therefore that we should seek authority for \$500 million from Canada Pension Plan plus the overall shortage of \$393 million, for a total of \$893 million.

Mr. Speaker, I am only asking for \$800 million, coming back to the question asked by the member for Riverdale, because there is a carryover. The money which we borrow under this Act each year, if it is not expended at the end of the calendar year, does not carry forward to the beginning of the next year.

Mr. Nixon: What if it was not even borrowed?

Hon. Mr. McKeough: It does not matter. The authority is there to borrow it and it so happens that as of March 31 we had a carryover of \$248 million—yes, \$248 million—which we have been using in the meantime, by the way, to borrow from the Canada Pension Plan; as a matter of fact, that authority is just about gone.

If this bill, for some reason, had been delayed, I think it probably fair to say we would not be able to draw down the money from the Canada Pension Plan because I would not have the authority to sign the debentures, which is a rather horrible thought. We would be losing the interest on that kind of money.

But at any rate we had the \$248 million at the beginning of the fiscal year plus this \$800 million which I am asking for now, which comes to a total of \$1.48 billion. I need authority for \$893. Subtracted from the \$1.48 billion this projects that I would have a carryover on April 1 next of \$155 million, which gives us something.

If we happen to put this bill in on April 1 we would not need it. If for some reason we do not sit—as we did not sit this year—then that carryover is there. It is cumulative, but it does not carry forward each year. I can only say that I have read the debates for the last two or three years in preparing myself for this bill—the form of the bill has been somewhat simplified in response to popular demand—and I have understood the confusion that has been in

the minds of some members as they tried to figure it out.

But it is my understanding, very simply, we need authority for \$893 million, we are asking for \$800 million, we have a carry-over of \$248 million which means that at the end of the year we might have a carryover of \$155 million plus whatever part of the \$393 million we do not borrow.

If there are any other questions, I hope I have covered them all.

Mr. Speaker: The motion is for second reading of Bill 76. Is it the pleasure of the House the motion carry?

Motion agreed to; second reading of the bill.

Mr. Speaker: Shall this bill be ordered for third reading?

Agreed.

ONTARIO UNIVERSITIES CAPITAL AID CORPORATON ACT, 1964

Hon. Mr. McKeough moves second reading of Bill 77, An Act to amend The Ontario Universities Capital Aid Corporation Act, 1964.

Mr. Nixon: Mr. Speaker, it was this bill I had in mind when I said that the capital aid corporations had extended jurisdiction. This Bill 77 would give the Treasurer the power to make similar loans to the Art Gallery of Ontario and the Royal Ontario Museum for capital construction projects that have been approved.

I think this is an excellent extension, one which will certainly be supported. It occurs to me however that in the process of this, and the funds voted through the Province of Ontario Council for the Arts, the government is going to have to rely more and more on very broad based, generally acceptable advice.

And my only comment is that, having made some mention previously that the Treasurer's statutory responsibility for these things puts him in an interesting position in a number of varied fields, but this is perhaps one of the most varied.

We approve this extension. The minister might make it clear just how the governor is going to receive advice other than from the Treasurer and his first minister and his colleagues. In other words, where the real advice on matters of artistic and—

Mr. Deacon: Archaeological.

Mr. Nixon: And what?

Mr. Deacon: Archaeological.

Mr. Nixon: —archaeological, thank you, will come from? Certainly the requests from the art gallery and from the museum should be very large, because those institutions have seen the government invest \$33 million in the science centre without any qualms coming from the public and \$23 million at Ontario Place, and they might very reasonably believe that substantial support for extensive capital expansion would be available for these two institutions which have laboured so very hard and with such restricted budgets for so many years.

I hope that there will be a substantial new deal for both the art gallery and the museum. Both of them, in my view, warrant substantial support much more than some of the projects that the government has undertaken in recent years. My only comment on the principle of the bill is the necessity of making it very clear where the recommendations are going to come from and on what basis they are going to be considered by His Honour's advisors.

Mr. Speaker: The member for Lakeshore.

Mr. Lawlor: Mr. Speaker, the art gallery and the museum both fall of course under University Affairs and the grants are generally allocated through that particular department in fairly substantial sums in both instances. What I would like to ask the minister at this time, rather than going through Committee of the Whole House, if it is permissible Mr. Speaker, would be what the particular projects are that are envisaged in this.

Is it connected with the Zacks collection in the case of the art gallery? What specific project, and what is the scale envisaged for the financing and debentures here for the Royal Ontario Museum?

The other area that interests me in this particular regard is that both these institutions, up to a point, are revenue-earning bodies, unlike the universities, strictly speaking, where the entry into the books under university capital aid is largely a fictitious entry, a bookkeeping method of keeping account of the amount of capital aid bestowed upon the universities over the whole life of such aid. But there is no attempt or no pretense that you will ever be paid back.

Is there any in the case of these two institutions? The minister nods yes and, therefore, what on the debentures do you levy against both these institutions in the repayment project, and over what period of time? Twenty years, 30 years? Over what period of time is it expected that these loans will be repaid?

Hon. Mr. McKeough: I am sorry I cannot—

Mr. Speaker: Does any other member—

Hon. Mr. McKeough: I am sorry.

Mr. Speaker: —wish to speak before the minister.

Mr. J. Renwick: I just have one—

Mr. Speaker: The member for Riverdale.

Mr. J. Renwick: I just have one additional comment to the comments made by the member for Lakeshore. I would like to know whether, in fact, the corporation does sell any of the securities which it purchases from any of these bodies. For example, is there likely to be or is there even a hypothetical possibility that if this corporation purchases the bonds or debentures of the art gallery, or the bonds or debentures of the Royal Ontario Museum that they might be sold by the corporation to the public so that there would be public participation in these institutions, either with or without some form of guarantee from the corporation itself? Or is that power in there simply for the purpose of completing the bill in case at some time a decision is made that such securities would be sold to the public?

Mr. Speaker: Are there any other members who wish to speak? The hon. minister.

Hon. Mr. McKeough: I will answer the last question first. No, there is no intention. It is simply a loan to the two institutions and in return for that loan we purchase—

Mr. J. Renwick: But there is a power to sell?

Hon. Mr. McKeough: Yes. We purchase—

Mr. J. Renwick: But the minister does not in turn sell; he has not as yet, in any event?

Hon. Mr. McKeough: Not for any university from which we might purchase the debentures. I am sorry I do not have all the details. I will get them for the members.

These were two programmes, at least grants, which were announced last year—late

last year or perhaps early this year—I think by the then Prime Minister (Mr. Robarts). In the case of the art gallery, they are substantially rebuilding the art gallery in part to hold the Zacks collection. In the case of the museum, I am not sure what is to be housed in it but as I understand it, it is an extension on Bloor Street.

The costs of both of these projects are large. Some of the money will be privately raised, I think, and I should not quote these figures, but I think both the art gallery and the museum have undertaken to raise certain amounts of money themselves. We will loan them the total capital cost, I think, in each case over the next two or three years because it is a stage-building programme, and then in actual fact make substantial grants through The Department of University Affairs to pay off the loan, I think as I recall, over a 10-year period. It may even be something less than that. I am not sure.

Mr. Nixon: Do they share the lottery or is that just for the art gallery?

Hon. Mr. McKeough: No, that is their own project.

Mr. Nixon: Just the art gallery?

Hon. Mr. McKeough: Yes, that is their own project.

Members will notice in The Department of University Affairs estimates, a grant to the art gallery of Ontario for \$750,000. I am guessing at this, but I think \$500 or \$1,000 of that is the first payment of what they will borrow under this and I think in the case of the museum—\$4.2 million—I think that represents an increase of \$1 million. I will get those details and provide them for the members.

Mr. Lawlor: What is the interest rate?

Hon. Mr. McKeough: Whatever the interest rate is under the University Capital Aid Corporation in any given point in time, and I think now it is eight something; it fluctuates. It is about an eighth of a point more than that for which we borrow from the Canada Pension Plan.

Motion agreed to; second reading of the bill.

Mr. Speaker: Shall this bill be ordered for third reading?

Agreed.

PUBLIC SERVICE SUPERANNUATION ACT

Hon. Mr. McKeough moves second reading of Bill 78, An Act to amend The Public Service Superannuation Act.

Motion agreed to; second reading of the bill.

Mr. Speaker: Shall this bill be ordered for third reading?

Agreed.

Clerk of the House: The 40th order, House in committee of supply; Mr. A. E. Reuter in the chair.

ESTIMATES, DEPARTMENT OF JUSTICE

Mr. Chairman: The Department of Justice, page 137.

The hon. minister.

Hon. A. F. Lawrence (Minister of Justice): Mr. Chairman, before presenting the estimates of The Department of Justice for the fiscal year 1971-1972—and I would not like to indicate "while he is still in the House," because he is always in the House—I would like to acknowledge the very great contribution made by my predecessor, the hon. member for Sault Ste. Marie (Mr. Wishart) to this province and to its citizens in general, in updating and modernizing our laws, introducing very substantial improvements in the administration of justice and raising the standards and the quality of our law enforcement. I know that we shall all continue to benefit in the years to come from his contribution and his vision.

The estimates for The Department of Justice for 1971-1972 pursue the policy and object of this government to provide the citizens of Ontario with the best possible system for the administration of justice while adopting the overall operations to changing social and economic conditions, bearing in mind the strictures of a taxing potential that obviously cannot continue to expand at the rate it has been.

Our total estimates for 1971-1972, authorizing funds for the administration of justice and law enforcement and the Ontario legal aid plan, amount to just over \$131.75 million, which compares with the amount of just over \$114.5 million for the fiscal year 1970-1971. This represents an increase of 15.1 per cent.

The increased cost of salaries, of goods and of services, is responsible for approximately 8 per cent of this increase.

Additional costs arising from the accelerated case loads of our courts, improvements in the operations of provincial courts, and additions to the staff of the Ontario Provincial Police amount to approximately another 3 per cent of the increase.

The extended use of the legal aid plan will cost us over \$2 million in excess of last year's appropriation, and this represents nearly 2 per cent more of the overall increase. Partial implementation of the personal property security registration system and the extension of benefits arising from The Law Enforcement Compensation Act, will contribute towards the remainder of the increase at 2.1 per cent over our 1970-1971 approved estimates.

I am sure, Mr. Chairman, that in the course of this debate, the hon. members will look for more details concerning the various areas for which I am responsible, and of course, I would be only too pleased to furnish this House with such information that is at my disposal. As we go through each of these votes, if it meets the approval of the hon. members, I can make a summary of each vote at the beginning of each vote. I am sincere when I say I will greatly appreciate the hon. members' constructive suggestions and proposals that will enable us to further improve and further extend the services provided by this department to the people of Ontario.

While paying tribute to the hon. James Chalmers McRuer, a great Canadian, scholar, lawyer and jurist, when filing in this legislation the last report of the Royal Commission of inquiry into civil rights on April 15 of this year, the leader of the government, the Prime Minister (Mr. Davis), said, and I quote:

His understanding of the need to preserve and protect the basic principles of civil liberties and freedoms will be applied to the daily activities of each and every person in Ontario and substantially influence government in many other jurisdictions in Canada and elsewhere.

This government, I want to assure you, Mr. Chairman, shares those principles and we direct our efforts to preserve them in the work of this department.

The Ontario Law Reform Commission recently completed a number of major studies which relate to the property rights registration system, to the Sunday observance legislation and to the coroners system. Its studies of the family law, partly completed, are continuing. The extensive study of many aspects

of the administration of our courts is under way and, I am sure, will assist us in the introduction of improvements in the administration of justice.

A study of our family court system is being conducted by the chief judge of the provincial courts, family division, in close co-operation with the Association of Provincial Judges and senior departmental officials.

Finally, we are now reviewing all rates of fees, allowances and expenses payable by the province to witnesses, to jurors, to justices of the peace, experts, assessors, interpreters, escorts, etc., with a view to establishing by means of one comprehensive regulation, under the recent amendment to The Administration of Justice Act, a uniform scale of such fees and other emoluments for the administration of justice purposes.

I did not elaborate in this very short presentation on the enacted changes in the jurisdiction of the Supreme Court of Ontario, or of the county and district courts and on several other important aspects of the activities of my department or the plans of my department. I am sure, however, that no matter of any importance will escape from the scrutiny of the members and constructive criticisms during this debate.

Now, Mr. Chairman, I would be pleased, even at this late hour, if we would proceed with a detailed review of the estimates.

Mr. Chairman: The hon. member for Downsview.

Mr. V. M. Singer (Downsview): Mr. Chairman, in joining issue with the Attorney General as he presents his estimates, the first that he has presented in this office, let me first say that I share the complimentary views that he addressed to his predecessor. Being an old Attorney General observer in this House, I think I know a bit whereof I speak. I have forgotten whether the present incumbent is the third, fourth, or fifth, since I have been in the House, but there has been a number of them. The hon. member for Sault Ste. Marie certainly carried on his responsibilities in what I would consider the highest traditions of this very important office.

However, his successor is a different kettle of fish. His successor gives me great pause to wonder, Mr. Chairman. I watched the night of the long ballots with great interest and saw the magnificent—

Hon. A. F. Lawrence: I should retire too; then the member will have to say nice things about me.

Mr. Singer: When the Attorney General retires, and we hope it is going to be very soon, then we will say what a nice fellow he is. At the moment, he is the incumbent, so he will have to take what goes with being in office.

On that night, Mr. Chairman, as the hon. member for St. George made a pretty darn good go at getting the leadership away from the establishment, one had to recognize that he would be called upon in due course to fill a very senior position in the government. So it was not with too great surprise that we read about his appointment as Attorney General.

Hon. A. F. Lawrence: It was to me.

Mr. Singer: Having known the hon. member for St. George for quite a number of years, and having liked him as a person, I was hopeful that we would see something new and vibrant and alive and innovative in that office. Well, Mr. Chairman, with great regret, since the hon. member for St. George has assumed this important office this is not the sort of thing that we have, in fact, seen. He seems to have carried to the office a remark that he made in a previous portfolio he held, that we have no right to know.

Hon. A. F. Lawrence: No right to know that.

Mr. Singer: We have no right to know that. Well, he expands on that at great length. At that time we had no right to know what expenditures the Treasury board had cut from requests of departments when they were considering the budget. I think we had a right to know. I think the Attorney General was wrong then as he is now.

Be that as it may, Mr. Chairman, one would think that in the grandiose words that emanate from the front benches, particularly from the new Premier who was quoted in the Telegram the other day as having said: "Political leaders have an obligation to tell the facts as they are. I would never con the people by not telling them the truth", I think, bearing that kind of a remark in mind, in contrast to the Attorney General's thought that we have no right to know that, and his actions, and bearing in mind what has happened recently in the United States in so far as the publication by the New York Times and the Washington Post, and the Boston Globe, and the very interesting decision of the Supreme Court of the United States, the summation seemed to be, Mr. Chairman, that

there was a very inherent and important right in the public to know. That the press had a duty and responsibility to tell.

I would think, certainly by very obvious and very important analogy, governments have a duty and a responsibility to tell what, in fact, is going on.

To make these remarks a little more current, Mr. Chairman, you will recall with me that we have had some considerable discussions in this House about offtrack betting.

I will get into the detail of it and what our suggestions are during the course of the estimates, but at this moment, I think it sufficient to say that these discussions have gone on for the better part of two years. With the former Attorney General, the hon. member for Sault Ste. Marie, it seemed, before the holocaust, that he was moving toward some kind of a decision.

Then he ceased to be Attorney General and the present incumbent took over and his first and immediate and snappy legal answer was: "That is a federal problem. Do not bother me with federal problems. I have no opinions. Let the government at Ottawa decide."

Well, we kept after him a bit. We kept after him on several occasions, and eventually he indicated that he was going out to Victoria and perhaps, when he was out there, he might meet a gentleman by the name of John Turner, who happens to be the federal Minister of Justice, and it might be in the spare moments they had, away from discussing matters constitutional, that a word or two might be exchanged in relation to the problem of offtrack betting, which is a very serious problem here in the Province of Ontario.

When the Attorney General came back from Victoria, he said: "Yes, as a matter of fact, Mr. Turner and I, the Attorney General, did have some chats about it. In fact, I expressed my views to him verbally and I expressed them to him in writing." And then, naturally, Mr. Chairman, we asked the Attorney General—

Hon. A. F. Lawrence: I never said that.

Mr. Singer: It is in Hansard and if you want the specific reference in Hansard and your word-for-word reply, it is there. You can be assured of that. When we asked the Attorney General what, in fact, he had said verbally to Mr. Turner and what he had said in writing to Mr. Turner, he said, in effect again, "You have no right to know that."

Mr. Chairman, why do we have no right to know that? If the Province of Ontario has a problem—and I say it has a very serious problem insofar as the control of offtrack betting is concerned—and if finally, those responsible for expressing the legal opinions of our government have so bestirred themselves that finally they have an opinion and they discuss that opinion with the Minister of Justice in the federal cabinet, surely, Mr. Chairman, the people of Ontario have a right to know that?

I say that the Attorney General, in keeping with so many of his colleagues, believes that we do not have the right to know any more than the little dribs and drabs of nonsense that flow forward in the statements that they deliver themselves of from day to day. That is one example

The second example, Mr. Chairman, is the very fascinating series of remarks that the Attorney General made in relation to the report, recently tabled, of the Ontario Police Commission. If you look at that report, on page 18, there are 2½ lines that say this: "During 1970, the large-scale smuggling of aliens into the United States through Canada was added to the catalogue of organized crime in the province."

I may be wrong, Mr. Chairman, but I do not think there is any other reference to this very important subject than the one I have just read.

The Attorney General saw fit, both in tabling this report in the House and in conducting press interviews outside the House, to build this up as though it was one of the biggest issues that had ever faced the police in the Province of Ontario or in the whole of North America, probably both. Now, if it was such a serious issue and if the Attorney General thought in his wisdom that it was worth elaborating on that two and a half line paragraph that I just read, surely, Mr. Chairman, there is a right to know and that right to know belongs to the people of Ontario.

It was fascinating, Mr. Chairman, that when the press followed this up with various police forces in the United States and other police forces in Canada, there seemed to be very little response to the Attorney General's alarm sounding. I wonder why? Is the issue as big and as important as the Attorney General hinted at? He is a great hinter, but he does not say anything. Or is it as relatively unimportant as those other police officials

indicated, who were asked for their comments in relation to this matter? But this is the game that this Attorney General plays.

Again, Mr. Chairman, when we had the report from the Rohmer commission dealing with paper-back and periodical distributors which resulted in hurry, hurry, hurry legislation because we were faced with a great crisis. When one read the report—and read it rather carefully—there seemed to be a suggestion that there was something more in the report than met the eye. Try as we could—and try as we would—both with the Minister of Financial and Commercial Affairs (Mr. Wishart) and the Attorney General, we could not get the answer.

All they did was make these hints directed to the fact that there must be something more behind the report. There must be something more behind the hurry, but no explanation.

Again, Mr. Chairman, surely we have a right to know what goes on in this kind of matter? We are going to get at this in greater depth when the second reading of this Act is called, but in the meantime, Mr. Chairman, one would think that in a democratic society, there is a real right to know, and the members of the Legislature and the public of Ontario have that right to know, and that the Attorney General has derogated from his duty and his responsibility in these cases that I have already cited and in many other cases.

So I invite him, when he comes to reply—and not on vote by vote—after my remarks are through—and after those remarks, I understand, the remarks of the hon. member for Riverdale (Mr. J. Renwick)—after they are through, I invite him to tell the House what is the approach of this government to offtrack betting.

What really is the serious aspect, or the serious aspects, of that sentence, that two and one-half line paragraph, in the report of the Ontario Police Commission? What really lies behind the rush job done by Rohmer and the extra special hurry that attaches itself to the introduction of The Paperback and Periodical Distributors Act, 1971?

You know, Mr. Chairman, what comes to my mind is that the Attorney General covers up a real lack of knowledge of the law by spreading false smokescreens across the atmosphere, and indicating, or attempting to indicate, that the matters with which he is concerned have so much more importance and significance, if he could only tell us about them, that we should not get distracted by questioning his lack of innovative thinking, his lack of real knowledge of the law and the custom by which this office is now apparently being conducted.

Mr. Chairman, I see it is now nearly 10:30 o'clock, p.m., and since my remarks might go for another minute or two I would move the adjournment of the debate.

Hon. Mr. Wishart moves that the committee rise and report.

Motion agreed to.

The House resumed; Mr. Speaker in the chair.

Mr. Chairman: Mr. Speaker, the committee of supply begs to report progress and asks for leave to sit again.

Report agreed to.

Hon. A. A. Wishart (Minister of Financial and Commercial Affairs): Mr. Speaker, before moving the adjournment of the House; we will continue tomorrow with these estimates, but I had indicated last week that Bills 71 and 72, which are the Provincial Secretary's (Mr. Yaremko's) bills on liquor, The Liquor Licence Act and The Liquor Control Act, might be dealt with in Committee of the Whole House following the question period. That would be the first part of the orders of the day and then we could continue with the estimates of The Department of Justice.

Hon. Mr. Wishart moves the adjournment of the House.

Motion agreed to.

The House adjourned at 10:30 of the clock, p.m.

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Legislature of Ontario Debates

OFFICIAL REPORT — DAILY EDITION

Fourth Session of the Twenty-Eighth Legislature

Tuesday, July 6, 1971
Afternoon Session

Speaker: Honourable Fred McIntosh Cass, Q.C.

Clerk: Roderick Lewis, Q.C.

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LEGISLATIVE ASSEMBLY OF ONTARIO

TUESDAY, JULY 6, 1971

The House met at 2 o'clock, p.m.

Prayers.

Mr. Speaker: Statements by the ministry.

Oral questions.

Mr. V. M. Singer (Downsview): Mr. Speaker, none of the ministers to whom I want to address questions is presently in the House.

Mr. Speaker: Is there anyone from the New Democratic Party who has a question now? The member for Sandwich-Riverside has the floor.

NON-SUPPLY OF GAS BY UNION GAS COMPANY

Mr. F. A. Burr (Sandwich-Riverside): Mr. Speaker, a question of the Minister of Energy and Resources Management: Is the minister aware of the recent statement of the president of Union Gas Company of Canada, in which he stated that there were about 40 companies that he did not supply with gas as required as he could not give them commitments?

Hon. G. A. Kerr (Minister of Energy and Resources Management): Mr. Speaker, I read the recent statement—a Mr. McCarthy, I believe it was. No, he is from Consumers'. No, I am sorry I have not read that statement.

Mr. Speaker: The member for Sarnia.

Mr. Burr: A supplementary question: Is the Minister of Energy and Resources Management not consulted when the federal government allows sales of trillions of cubic feet of gas to other countries? Is he not consulted about our requirements in Ontario?

Hon. Mr. Kerr: Mr. Speaker, I think that question should be more properly directed to the Minister of Mines and Northern Affairs, unless the hon. member can give me some idea as to what the member is concerned about basically. If it is just the fact that we are exporting gas and thereby in

some way depriving our own customers of this source of fuel, I, of course share the same concern as he does, but possibly the Minister of Mines could supply him with any detailed information.

Mr. Burr: Mr. Speaker, just to clarify it, the president of the Union Gas Company said that he could not make commitments to about 40 industries because of doubts about future supplies. I am quoting his words.

My question, which the minister may not have heard, was: "Is the Minister of Energy and Resources Management in Ontario not consulted about our needs here, when the federal government allows exports of such large quantities?"

Hon. Mr. Kerr: Mr. Speaker, this, of course, goes back to the basic problem that we do not seem to have a national energy policy. As a result of that, I think the federal government acts pretty well unilaterally in any sales of gas to, for example, the United States.

I think that up until now it has certainly been my experience that the energy branch within my department was usually advised after the fact that certain agreements would be entered into and certain contracts would be made with American customers.

As the hon. member knows, it has always been part of the federal minister's argument that these supplies were surplus to our needs. This is the first time, really, that I have heard a president of a gas company say that these exports obviously are not surplus to our needs and in some way will deprive that particular gas company of sufficient sources for its own customers in Ontario.

I think the statement, If I can recall it correctly now, also referred to pipeline facilities, particularly in the northern part of this province.

Mr. Speaker: A supplementary? The member for Essex South.

Mr. D. A. Paterson (Essex South): Yes, is the minister aware that the Union Gas Company is not accepting any new large

contracts for which they could supply gas, specifically the greenhouse industry, which is having difficulties? Are you aware of this, Mr. Minister?

Hon. Mr. Kerr: No, I was not aware really that existing customers were in any way being deprived, or had been told that their supplies would be limited. I was not aware of that.

Mr. Speaker: A supplementary? The member for Windsor-Walkerville.

Mr. B. Newman (Windsor-Walkerville): Mr. Speaker, I would like to ask the minister if such a policy on the part of the Union Gas is going to have any effect on the pollution control abatement programmes of the government?

Hon. Mr. Kerr: No, Mr. Speaker. One of the assurances that I have had as a result of some indication of a shortage of supply was that, for example, the agreement by Consumers' Gas to supply the Hearn plant with sufficient quantities of gas in order to allow the conversion of that plant would not be affected by this. That this would carry on and go ahead as planned.

Mr. D. M. Deacon (York Centre): A supplementary: Mr. Minister, what about industrial plants rather than power-producing plants?

Hon. Mr. Kerr: Mr. Speaker, as I say, it ties in with the question of the hon. member for Windsor-Walkerville. I am not aware that industrial plants have been told that there would be a shortage of supply which would not allow them to carry on using gas. There is a question of the possibility of conversions from one type of fuel to gas, and I am hoping, of course, that not only will existing customers be able to use the gas and expand where necessary but these conversions will be allowed where it has been recommended by my department that the only solution to their emission problem is to burn gas.

Mr. Deacon: A supplementary: Would the minister—

Mr. Speaker: This will be the last supplementary.

Mr. Deacon: Would the minister make the federal Minister of Energy, Mines and Resources aware of our projected needs for gas to ensure that the Ontario demands are

not hindered as a result of exports of gas to other countries?

Hon. Mr. Kerr: Mr. Speaker, as a result of earlier questions on this particular subject the Ontario government is compiling a report of all our future gas needs, both from the industrial and domestic points of view. I am hoping that report will be available very shortly so that we will know exactly what our needs will be projected over a period of time from 1980 to the year 2000. This will also be part of the transmission line requirements for these companies in opening up new areas.

Mr. Speaker: The hon. member for Sarnia now has the floor for a question, and then we will go back to the leaders of the parties and their questions in the normal course.

CONTROL OF EMISSIONS FROM DOME PETE PLANT

Mr. J. E. Bullbrook (Sarnia): Mr. Speaker, I have a question of the Minister of Energy and Resources Management. Would the minister advise what his air management branch is doing to stop the continued emission of noxious material and odours from the Dome Petroleum plant in Sarnia?

Hon. Mr. Kerr: I may be guessing, Mr. Speaker, but it seems to me there have been complaints about Dome Petroleum—

Mr. Bullbrook: Maybe a hundred of them?

Hon. Mr. Kerr: —and I believe that company is under ministerial order to do certain things within a certain period of time. I will check it, however, and get the full details.

Mr. Bullbrook: By way of supplementary, would the minister entertain the possibility of forcing Dow to build a steam plant?

Hon. Mr. Kerr: Mr. Speaker, our legislation and regulations require the company to keep its emissions to a certain tolerable level and if this is one of the remedies, why we would certainly suggest it.

Mr. Bullbrook: By way of last supplementary, does the minister recognize that his department permitted them to build extraordinarily without the necessity of the tempering qualities of steam?

Hon. Mr. Kerr: No, I was not aware of that.

Mr. Speaker: The hon. member for Downsview now may start.

ALLEGED MISTREATMENT OF DON JAIL INMATE

Mr. Singer: Mr. Speaker, I have questions of the Attorney General. Has the Attorney General yet had a chance to prepare an answer to a question I asked him a few weeks ago that arose out of a couple of columns written by Paul Rimstead in the Toronto Telegram concerning the treatment of a certain prisoner in the jails, which columns implied that there were apparently criminal aspects insofar as these treatments were concerned?

Hon. A. F. Lawrence (Minister of Justice and Attorney General): Mr. Speaker, I only have a partial report on that matter, with which I am not satisfied, and I think I really should wait until I am in a position to deal with the matter comprehensively before reporting to the House.

Mr. Singer: Could the Attorney General elaborate to some extent on the character of investigations and where his inquiries are being directed?

Hon. A. F. Lawrence: I would rather wait until I can deal with the matter in toto.

ALLEGED MISCARRIAGE OF JUSTICE

Mr. Singer: I have a further question, Mr. Speaker, of the Attorney General. Could he tell us if his department received a letter from a man named Anderson relating to the trial and imprisonment of Shatford, about some time last month, where Anderson indicated to the Attorney General's department that someone other than Shatford had been involved in the crime of which Shatford was later convicted?

Hon. A. F. Lawrence: I will have to check on that one. I can remember a letter relating to this matter from a counsel here in Toronto, which was answered.

I noticed in the press recently that there has been a letter which the press has mistakenly believed was addressed to me from Anderson himself but which, in fact, was addressed to the Attorney General in Ottawa and not to me. That one I have not received.

I do not have the full file with me. I do not have the file "period" with me now. If the hon. member had given me notice, I would certainly have had it here and been able to answer that, but I will take it now as notice for Thursday.

Mr. Singer: A supplementary, Mr. Speaker: Did the Attorney General have any knowledge of these allegations, prior to the appearance in the press of Ron Haggart's two columns?

Hon. A. F. Lawrence: Oh, yes. As I said, I received a letter from—I can remember one letter on it anyway—a Toronto counsel prior to Mr. Haggart's stories in the press of last Saturday, I believe.

Mr. Singer: On receipt of that letter, if the Attorney General can remember, were any investigations undertaken at that time, or did the matter lie dormant until it received more prominent publicity in the press?

Hon. A. F. Lawrence: If I remember the request to me, it was, what in my opinion would be the best course of conduct to be taken by the counsel or on behalf of the individual in relation to that matter. That information was certainly passed along to the counsel.

That information—

Mr. Speaker: The member for High Park has a supplementary?

Hon. A. F. Lawrence: That information was that the matter could be more expeditiously dealt with by the Minister of Justice at Ottawa. I believe in that letter—and I am not quoting, I am using my very faulty memory now—I indicated exactly the reasons why.

Mr. Singer: Then, by way of supplementary, in relation to that, the minister indicated at that time that he did not think he had a role in the matter. Is that correct?

Hon. A. F. Lawrence: I indicated that the remedy asked for was not within my jurisdiction. That is right.

Mr. Singer: Did the minister at that time embark on any investigations, or was that the end of it as far as he was concerned?

Hon. A. F. Lawrence: That was the end of the matter at that time.

Mr. Singer: I see.

Mr. Speaker: The member for High Park.

Mr. M. Shulman (High Park): A supplementary, Mr. Speaker: Did the Attorney General not also receive a letter from Mrs. Shatford some two months ago, relating basically the facts that were in the Ron Haggart article?

Hon. A. F. Lawrence: I do not remember a letter from Mrs. Shatford. We are getting a very large number of letters per day, flowing in on all sorts of matters. I do not remember receiving a letter from Mrs. Shatford, but that is not to say that I did not. I will have to check into it.

As I said, when the hon. members are asking questions, Mr. Speaker, relating to specific correspondence of two or three months ago, it really would help, if they are seeking information, to give me some advance warning of the type of question. I would be glad to have the files here with me.

Mr. Speaker: The member for Sudbury.

Mr. E. W. Sopha (Sudbury): I was looking for the minister at 1:45 with advance warning.

Hon. A. F. Lawrence: I was here all day.

Mr. Sopha: The minister's deputy did not know where the minister was.

Mr. Speaker: This is a supplementary?

Mr. Sopha: In view of the fact that the Attorney General is responsible for the administration of criminal justice, in this case, short of an appeal to the federal government, would anything preclude, to his knowledge, Stanton Hogg from launching a writ of habeas corpus with the support thereof of any information the Attorney General can give to him? Might that be an effective remedy for Shatford?

Hon. A. F. Lawrence: First of all, the basic premise of my friend's question is wrong. The paramountcy in criminal law in this country is the Minister of Justice at Ottawa and not the Attorneys General. Certainly I am responsible in this province for the administration of justice.

Mr. Sopha: That is what I said.

Hon. A. F. Lawrence: I am not too sure that the hon. member did. I think he had another word in there which restricted it.

Mr. Sopha: "The administration of criminal justice," I said.

Hon. A. F. Lawrence: As far as I know, there is nothing to prevent such a remedy

being sought by anyone at any time for anyone who is incarcerated. I am sure my hon. friend is aware that is the purpose of that extraordinary remedy. However, in fairness to Mr. Hogg and his client, I am sure that if my hon. friend is advising him he would also want to point out to him that on the return of that writ the matter would then have to be gone into very carefully.

I believe the basis for such an application would have to be the validity or the non-validity of the actual warrant for committal of the individual. In this case—again I do not want to prejudge anything—I would imagine that there is nothing at all wrong with that warrant of committal.

The proper course of action, which has been indicated before—and I do not know whether it has been followed up by the individuals concerned or not—would be the proper application in respect of the remedy being sought through the Minister of Justice at Ottawa under section 596, I believe, of The Criminal Code. This would involve two alternative courses of action.

Other than that, as far as getting the person out of the federal institution is concerned, there is no way that I know of that I can obtain that remedy for anyone once the matter has progressed as far as it has now. If it were a provincial statute, of course there would be no question about it.

If there is any question about my assistance or our co-operation at this end in relation to this matter as far as the Minister of Justice at Ottawa is concerned, I have indicated before and I indicate again now—and I am happy to take the opportunity to do so—that we will do everything in our power to make sure that justice triumphs in this case where, on the face of it, it looks as if there has been a miscarriage of justice.

But I am bound by the laws, as my hon. friend is bound by the laws, and even though we have searched, not only in this case but in other similar cases in the past—because unfortunately there have been similar cases in the past—I know of nothing that I can do to obtain that remedy for that particular individual which does lie at Ottawa.

I have already indicated that we will do everything we can to help in the matter.

Mr. Sopha: Mr. Speaker, would you permit one further supplementary? Would the Attorney General not agree that there is something anomalous and defective in that he has the responsibility toward the administration of criminal justice in the province,

yet apparently he is debarred from seeking a remedy to see, in his own words, that "justice triumphs?"

Hon. A. F. Lawrence: First of all, it is not an exclusive field of mine to be responsible for the administration of justice in this province. It is a jointly shared responsibility with my counterpart at Ottawa, and I am sure my friend is aware of that.

As far as defects in The Criminal Code are concerned, certainly there are defects in The Criminal Code. My hope is that this is going to be one of the subjects that will be looked at this fall by the new federal Law Reform Commission. As a matter of fact, I think there already has been an announcement in that respect that The Criminal Code is going to be looked at with a view to a complete revision and overhaul. This is one of those grey matters that obviously has to be cleared up. There is no question about it.

Mr. J. Renwick (Riverdale): Mr. Speaker, by way of a supplementary question: Will the Attorney General examine the rules with respect to criminal appeals passed by the judges of the Supreme Court of the Province of Ontario under the authority of the code to determine whether or not, on the basis of any new evidence or in the facts of this case as known to the Attorney General, the matter can be brought on by way of appeal before the Court of Appeal of Ontario?

And will he, if there appears to be any ambiguity about this matter, request the judges authorized under The Criminal Code of the Supreme Court of Ontario to look at the rules with respect to criminal appeal, having regard to this case, to determine whether some amendments should be made, if necessary, or whether they have authority or there is some procedure by which this matter can be brought before the Court of Appeal of Ontario?

Hon. A. F. Lawrence: Well, I say with regret to my hon. friend that this is not an isolated incident by any means. I would like us to feel that it is a very uncommon matter. This matter has been reviewed before by us, and I am unable to comprehend the strange reluctance on the part of some people to appreciate that the proper course of action in this matter is to apply to the Minister of Justice at Ottawa. In spite of the fact that there has been a repetition of this advice emanating from my office, as we have just heard, over the last two months people are reluctant to take that step. I will not bother going over the leading cases with

my friend here today but they are there; they are pretty clear. There are precedents for this sort of thing and it has been clearly pointed out that the proper course of action is to apply, under the Code as it now exists, to the Minister of Justice who does have that power.

That indeed is why that section in the Code is there—just to cover this mercy provision. Really that is what it is—a mercy provision that can be speedily acted upon by the federal minister if he so desires.

Now the point of my hon. friend, I assume, is that there may be grounds somewhere here in relation to our own rules under The Criminal Code to get around that particular provision in The Criminal Code. I am quite willing to admit that suggestion has not been made to me before. I will take a look at it. On the other hand the Minister of Justice is there; he is ready, available, accessible, perhaps willing, to co-operate. Under the current case, in any event, that is where the application should be made.

Mr. J. Renwick: Mr. Speaker, by way of a supplementary question, repetition does not make anything correct and there is not just one view.

My question to the Attorney General is that if, as I assume to be factually correct, a Crown attorney or an assistant Crown attorney in this province, being a member of the staff of this Minister of Justice, prosecuted this case, is it not this minister's responsibility to review the matter to determine whether or not there has been a miscarriage of justice in the court? Does he not agree that if there has been a miscarriage it is not a question for the exercise of executive clemency, it is for the correction of a wrong?

Hon. A. F. Lawrence: No.

Mr. S. Lewis (Scarborough West): Right. It is a shared jurisdiction.

Hon. A. F. Lawrence: Clemency does not enter into this. I guess my hon. friend was not here yesterday when I indicated that the two—

Mr. J. Renwick: Yes, I was here.

Mr. D. C. MacDonald (York South): Not only was he here; he asked the same question.

Hon. A. F. Lawrence: —aspects of the matter which concern me and which should properly concern me are the aspects relating to No. 1, the police investigation directing itself particularly to the concern that I would

have respecting wrong identification; and No. 2, the prosecution based on that.

As I get deeper into the matter I find, of course, that the knowledge of what was claimed, I believe, was certainly available to defence counsel during the course of the trial. For reasons best known to defence counsel, this matter, this story, these allegations that are now being made were not brought out, even though there was ample opportunity. As a matter of fact, Mr. Anderson, I gather, was not even called to the stand even though there was ample opportunity for the defence counsel to do it.

Now there are other reasons, I suppose, why this was not done but—

Mr. J. Renwick: I am making no comment on the evidence. This has nothing at all to do with the evidence.

Mr. J. B. Trotter (Parkdale): That is not correct.

Mr. Lewis: Why does the minister not make application if it is a shared responsibility as he defined it?

Hon. A. F. Lawrence: No. 1, I am not convinced yet, as I indicated obviously yesterday, that I have the right, the jurisdiction or that it would be proper for me to do so; and No. 2, I am still in the process of investigating the matter. I had a very vehement request yesterday to send investigators—

Mr. Bullbrook: The minister prosecuted. He certainly has the right.

Hon. A. F. Lawrence: —down to Missouri or wherever it is to interview people before I do anything else. Today I come in and the situation is drastically and dramatically—

Mr. Lewis: The minister prosecuted the man.

Hon. A. F. Lawrence: Yes, all right—

Mr. Sopha: We are trying to help the minister to do what is right.

Hon. A. F. Lawrence: No, I did not.

Mr. Lewis: Come on. The minister did; his department did.

Mr. R. Gisborn (Hamilton East): On a point of order, Mr. Speaker. Would it not be reasonable if the Speaker asked the hon. members to pursue this question with the Attorney General in his estimates that will come up within a couple of hours later on today?

Mr. Sopha: Now there is a rebuke to that front bench.

Mr. Lewis: From the back row.

Mr. Gisborn: To both sides!

Mr. Sopha: Yes.

Mr. Speaker: The member for Downsview has the floor.

INTRODUCTION OF DAYCARE LEGISLATION

Mr. Singer: Yes, Mr. Speaker, I have some questions of the Minister of Social and Family Services. Could he advise us when we are going to get daycare legislation which has been promised for such a long period of time?

Hon. T. L. Wells (Minister of Social and Family Services): Mr. Speaker, very shortly.

Mr. Singer: How shortly is very shortly? Perhaps today, would that be likely?

Hon. Mr. Wells: I think that will be answered in due course.

HOSTEL ARRANGEMENTS FOR TRANSIENT YOUTH

Mr. Singer: Mr. Speaker, could I ask the Minister of Social and Family Services if the government has any new plans about providing additional youth hostel facilities, in view of the fact that the holiday weekend indicated that these were operating pretty well to capacity and it is going to get worse before it gets better?

Hon. Mr. Wells: Mr. Speaker, I am not sure that I am the minister responsible for youth hostels. We have an arrangement whereby we, under the Canada Assistance Plan, can pay money to people in need who stay at hostels. The arrangement we have is that this is worked out and the money is transmitted right to the hostels to help them operate.

We do have a contingency plan to provide some more space in Metropolitan Toronto, the details of which I cannot tell the hon. member right now.

Mr. Singer: Mr. Speaker, by way of supplementary, in view of the fact that we have got a month and a half or two months remaining of the summer period, and this

is the time when they are going to be needed, is the government going to have any decision in this matter before the summer is over?

Hon. Mr. Wells: Mr. Speaker, as I said I am not the minister directly responsible for the programme of youth hostels.

Mr. Singer: Who is?

Hon. Mr. Wells: It is my understanding that the interdepartmental committee on youth would be looking after the problem of youth hostels.

Mr. Singer: Who is in charge?

Hon. Mr. Wells: And that committee is chaired by the hon. member for Quinte (Mr. Potter).

Mr. Singer: Quinte?

Hon. Mr. Wells: Yes.

Mr. Singer: Well, Mr. Speaker, could I address the same question to the hon. member for Quinte, or is he here?

Hon. Mr. Wells: He is not here.

Mr. Singer: That is very helpful.

LAYOFF AT DE HAVILLAND

Mr. Singer: Mr. Speaker, I have a question of the Minister of Labour. Has the Minister of Labour received any word about a threatened or possible layoff of 700 employees by de Havilland?

Hon. G. Carton (Minister of Labour): Not to my knowledge, Mr. Speaker.

Mr. Singer: I wonder if the Minister of Labour could look into this and make a report to us as soon as possible?

Hon. Mr. Carton: Yes.

Mr. Speaker: Has the member for Downsview completed his questions?

Mr. Singer: That is all.

Mr. Speaker: The member for Scarborough West.

LETTER FROM UNION OF ONTARIO INDIANS DIRECTOR

Mr. Lewis: Mr. Speaker, a question of the Provincial Secretary: How does the Provin-

cial Secretary intend to reply to the letter addressed to him by Andrew Rickard, executive-director of the Union of Ontario Indians, in which he says about the minister's regional meetings:

I totally disagree with the procedure your department has adopted. This is one of the major reasons I feel my position in your advisory committee is no longer viable. Your representatives are asking the committee to make comments on an area where everything has already been decided. This I want no part of; I have too much pride in my capacity as a member of an Indian organization for any government to use me in rubber-stamping decisions that were made in total isolation.

Hon. J. Yaremko (Provincial Secretary): Mr. Speaker, first of all I assume that the leader of the NDP has authority to make that letter public.

Mr. Lewis: I have a copy of the letter which I have now made public.

Hon. Mr. Yaremko: I have assumed that the member has the authority to make it public—I assume that Mr. Rickard has given him the—

Mr. Lewis: I am not answering the questions, I am asking them.

Hon. Mr. Yaremko: Mr. Speaker, I do not know whether—

Mr. M. Makarchuk (Brantford): The great wrecker is at work again.

Hon. Mr. Yaremko: Mr. Speaker, I do not know whether it is within—

Mr. MacDonald: The Provincial Secretary has no answer, is that the position?

Mr. Lewis: He has no answer to my question. I am going to quote from more of the letter, by way of supplementary, so he can go on.

Hon. Mr. Yaremko: Mr. Speaker, I do not know that it is within the rules of this House—

Mr. MacDonald: He cannot get off this with a technicality.

Hon. Mr. Yaremko: —that an hon. member of this House can—

Mr. Lewis: There is no "confidential" on the letter.

Hon. Mr. Yaremko: —can make public a letter signed by a citizen—

Mr. Lewis: It is because of what the Provincial Secretary does in this field; he cannot cope with it again. It is going to collapse around his ears yet again.

Hon. Mr. Yaremko: Mr. Speaker—

Mr. J. E. Stokes (Thunder Bay): What is he going to do with the consultative process? That is the question.

Mr. Lewis: Why has he gone ahead with this in defiance of the wishes of the Indian communities?

Mr. Speaker: Order! Perhaps the hon. member will allow the minister to answer his question?

Mr. MacDonald: He is refusing to answer, Mr. Speaker.

Hon. Mr. Yaremko: Mr. Speaker, I shall not only answer the question, I shall answer the interjections.

Mr. Sopha: Does the hon. minister feel like Louis XVI?

Hon. Mr. Yaremko: Mr. Speaker, in reference to Mr. Rickard's letter, I have received that letter. I have been in Mr. Rickard's company. He has participated. The deputy minister has conveyed to him certain feelings that I have and indicated that I shall be meeting with Mr. Rickard in due course, as he set out in his letter with respect to this.

The hon. leader of the NDP has raised the question of the consultations taking place. I am not going to make a statement in total at this time because the whole process has not been completed. We have had four meetings—in Peterborough, in Timmins and in Elliot Lake. I have now met with, I think, 70 of the 90 elected chiefs and other representatives in what I deem to have been highly successful rounds of meetings.

I have conveyed to Mr. Plain, the president of the Union of Ontario Indians, that we would be meeting with them and that they would be welcome to have a representative at the meetings. They saw fit to assign a representative at Timmins. Mr. Andrew Rickard participated, and I may say participated very ably, in the discussions that took place at—

Mr. Lewis: Do not be condescending about it; he usually participates.

Hon. Mr. Yaremko: I am not.

Mr. Lewis: He does not need that parenthesis.

Hon. Mr. Yaremko: I think he has some very outstanding characteristics, and I do not hesitate to make the reference to him. He participated and made his contribution to the consultation process at Elliot Lake.

We have moved on to Thunder Bay. I am returning this afternoon to Kenora. The consultations will be completed in London; and when they have been completed, Mr. Speaker, they will be, in my estimation, the beginning of the finest round of consultations with the Indian leaders that this province has ever seen.

Mr. Stokes: A supplementary, Mr. Speaker: What provisions are being made for the recognized spokesmen of the Indian community in the province, that is the Union of Ontario Indians, to sit down after they have had an opportunity to discuss all of the programmes that are available at the provincial level? When do they get to sit down and speak with a united voice? That is the problem that is facing the Indian community in the province.

Hon. Mr. Yaremko: Mr. Speaker, I have a letter here addressed to Mr. Fred Plain:

Dear Mr. Plain:

As you know—

And he did know.

—I am holding a series of meetings over the next two weeks—

Mr. Lewis: What is the date of that letter?

Hon. Mr. Yaremko: Mr. Speaker, the opposition, including the leader of the NDP—

Mr. Lewis: What is the date of the letter?

Mr. Stokes: What is the date?

Hon. Mr. Yaremko: —laughs at this matter. It is a pity that the laughter—

Mr. MacDonald: We are laughing at the minister, not the matter.

Hon. Mr. Yaremko: Do not give me that.

Mr. MacDonald: We are; whether the minister likes it or not, we are.

Mr. Lewis: What is the date of the letter?

Hon. Mr. Yaremko: The letter goes on:

In this connection it seems to me that it might be appropriate for the Union of Ontario Indians to be represented at these

initial meetings. I am, therefore, taking this opportunity—

Mr. Singer: Better move the Indian department again.

Hon. Mr. Yaremko: To continue:

—to extend to you or your representative an invitation to be present during my attendance at the meetings as set out in the attached schedule.

I should also like to remind you that I shall be meeting with the union and other organizations later this summer in formal consultations which will parallel my meetings with all of the chiefs in Ontario.

Mr. Lewis: By way of supplementary, what is the date of the letter?

Hon. Mr. Yaremko: June 29.

Mr. Stokes: That is after the fact.

Mr. Lewis: What is the date—June 29?

Hon. Mr. Yaremko: Yes.

Mr. Lewis: And the meetings are the first two weeks of July. It speaks for itself as to the consultative process, does it not?

Hon. Mr. Yaremko: Mr. Speaker, what speaks for itself is that we have commenced meetings in 1971. We have provided the Indian bands and chiefs of this province, all of them, with the funds, the resources and the time to consult with each other and then to convey the gist of their consultation to the—

Mr. Lewis: They objected.

Hon. Mr. Yaremko: —government of the Province of Ontario—

Mr. Lewis: The whole of Treaty 3 objected to the minister's meetings in advance.

Hon. Mr. Yaremko: And Mr. Speaker, this badge, this badge—

Mr. Makarchuk: The great Indian chief himself!

Hon. Mr. Yaremko: —I tell you—

Mr. MacDonald: "Big Chief Long Wind."

Hon. Mr. Yaremko: Mr. Speaker, if you had been with me—

Mr. Lewis: What badge? What is that badge?

Hon. Mr. Yaremko: That is the badge of Teekeedoa.

Interjections by hon. members.

Mr. MacDonald: In case there is any mistake, we are laughing at the minister, not the badge.

Interjections by hon. members.

Mr. Speaker: Order, order!

Mr. Lewis: Mr. Speaker—

Hon. Mr. Yaremko: Mr. Speaker, I can tell you this.

Mr. Lewis: The minister takes it seriously.

Interjections by hon. members.

Mr. Speaker: Order!

Mr. Lewis: Beneath the ridicule there lies contempt.

Hon. Mr. Yaremko: If the leader of the NDP wants to debate with me through laughter, he will win every time.

Mr. Lewis: The minister has grafted his programme well. He is committed to it.

Hon. E. A. Winkler (Minister of Revenue): Such arrogance!

Hon. Mr. Yaremko: Mr. Speaker, on the merits, the member will lose.

Mr. Lewis: Well, move that again.

Mr. MacDonald: The minister is finished and he does not know it.

Hon. Mr. Yaremko: I will tell the member. I have already finished off five Leaders of the Opposition. I think the member for York South is next!

Mr. Lewis: Mr. Speaker, I have a question—

Mr. W. Hodgson (York North): The member is too young to go too, is he not?

INCO WATER SUPPLY TO COPPER CLIFF

Mr. Lewis: I have a question of the Minister of Energy and Resources Management. Is the minister aware that when he replied to my colleague from Sudbury East (Mr. Martel) about the Inco water supply at Copper Cliff, he appended to the file a series of letters and documents which were remarkably justifying of my colleague's contentions and totally incriminating of the department. The question is, why did he do so?

Hon. Mr. Kerr: Mr. Speaker, I was aware that there were attachments to my letter to the member for Sudbury East. Certainly, they helped clarify the situation to which the hon. member had referred. They did not, in my opinion, incriminate the department at all.

Mr. MacDonald: Hear, hear!

Mr. Lewis: I see.

Mr. E. W. Martel (Sudbury East): A supplementary question: In the letter from Gord Hampson, the memorandum to the minister, is he aware that Mr. Hampson makes the point, and I quote: "I have now received the attached report from Dave Caverly, which in fact admits that everything that these gentlemen have been saying is true."

Hon. Mr. Kerr: I think in that particular context he was referring to the company. Is that right?

Mr. Martel: No, he is referring to the complaints that one Mr. Falkowski and one Mr. Martel have been making for over two years and to which we have received constant replies saying: "No, it does not exist."

Further to that, is the minister aware that in this it also states:

You will note particularly the first paragraph of Mr. Caverly's memo of May 19 which indicates that complaints have been received for two years or more from this area and that there are now medical reports to the effect that there has been an increase in stomach disorders in the town of Lively since this water system was connected to the same source of water supply.

Hon. Mr. Kerr: Mr. Speaker, the hon. member is reading things that I am quite aware of. There was no attempt on my part to try to censor that correspondence or the memo. However, it would appear that in the future I will have to do that.

If the member wants to make an issue of the fact that I am being quite open and quite sincere and fair about what is going on, fine. I am willing to tell the hon. member or any other hon. member the facts in a particular situation and the blame will fall where it should. However, if the member wants to make a political issue of it, I will have to write in future the usual curt, innocuous memos that really do not tell anybody anything.

An hon. member: Hear, hear!

Mr. Lewis: Is that what the minister does?

Mr. Martel: A supplementary question: If that be the case, then what action is the minister taking? Again, quoting this memo: "I am absolutely shocked to think that all we are apparently doing is requiring Inco to take interim measures to improve the water being distributed in the smelter."

What action is the minister taking?

Hon. Mr. Kerr: Mr. Speaker, I think the hon. member, if he read the rest of the correspondence, will see that—

Mr. Martel: I have.

Hon. Mr. Kerr: —immediately, at the time that memo was written and I corresponded with the hon. member, a complete programme will be discussed with the company to improve that situation and alleviate the problem that he has been referring to for two years.

Mr. Lewis: And that is nothing.

Hon. Mr. Kerr: This, as the hon. member knows, involves another department as well as my own. Drinking water, or water from fountains within a building or a plant is not entirely the concern of my department. It involves another department, and with the two departments the corrective measures that I indicate should be taken will have to be taken.

Mr. Martel: Mr. Speaker, a further supplementary then: Why is it in Mr. Caverly's letter to Mr. Hampson he states the following, which would deny everything the minister is saying now:

The company retained a consulting engineer in 1969 to prepare a preliminary design report for a water treatment plant for this system. Recently we have learned that the company has not taken action toward proceeding with construction of the project.

Which indicates that they have not done a thing and that the planning the minister was just speaking about had already been in existence. What is the minister doing now to ensure that that new plant should be in, and what has he done in the last two years to make sure that the complaints we registered were worked on?

Mr. Lewis: For two years they have not enforced it.

Mr. Makarchuk: Somebody is lying.

Hon. Mr. Kerr: Well Mr. Speaker, the hon. member is again rehashing—

Mr. Martel: Rehashing?

Hon. Mr. Kerr: —what I have just answered. At the date of that correspondence, we admitted there were problems, that not enough had been done. I think the hon. member should be concerned about what goes on from that date hence.

Mr. Lewis: Oh, two years ago!

Mr. Martel: Well Mr. Speaker, how can we be concerned when we have been complaining about it for over two and one half years and nothing has happened?

Mr. MacDonald: Nothing has happened!

Mr. Lewis: Why do we not take them to court?

Mr. Martel: Now we have got medical reports which state people are getting sick. What has the minister done in that two and one half years? Nothing.

Mr. Lewis: Does the minister know the last line of Hampson's letter to him?

Hon. Mr. Kerr: Well I am quite sure—I realize exactly—

Interjections by hon. members.

Mr. Speaker: Order!

The question period for today has expired; and I would ask those ministers who were kind enough to advise me that they had answers for questions if they would bring them with them at the next sitting, we will try to get them in.

Petitions.

Presenting reports.

Mr. Villeneuve from the standing human resources committee presented the committee's report which was read as follows and adopted:

Your committee requests permission to sit concurrently with the House to consider Bill 80, The University of Toronto Act, 1971.

Hon. A. F. Lawrence: Mr. Speaker, I have pleasure in tabling, and it will be distributed to the members in a moment, the interim report of the interdepartmental committee on chronic drunkenness offenders. This is not usually the type of report that we table, but I am tabling it for the benefit

of the members because in a moment, when the opportunity arises, I will be introducing legislation based upon it.

Mr. Speaker: Motions.

Introduction of bills.

LIQUOR CONTROL ACT

Hon. A. F. Lawrence moves first reading of bill intituled, An Act to amend The Liquor Control Act.

Motion agreed to; first reading of the bill.

Mr. Singer: Why this backwards and forwards between the Provincial Secretary and Attorney General?

Mr. H. Peacock (Windsor West): What has he got left?

Mr. Speaker: Order!

Hon. A. F. Lawrence: Mr. Speaker, I take very great pleasure today in introducing this legislation and tabling the report I have just tabled of the interdepartmental committee on chronic drunkenness offenders. The report, when the hon. members have the opportunity of reading it, will indicate the scope of the study and the number of governmental departments represented in relation to the report.

The legislation enables the introduction of a programme in the fall of this year to provide facilities and a programme of care and rehabilitation for the chronic liquor offender. The programme will be fully implemented by the fall of 1974.

The purpose of the legislation at this time is to indicate the government's awareness of the problem of the chronic drunkenness offender, that he should not necessarily be treated as a criminal but as someone who is sick and who requires assistance. It is an indication of this government's commitment to a programme of rehabilitation rather than prosecution.

Persons who would normally be arrested for being drunk in a public place under The Liquor Control Act could, instead of being placed in the court cycle and the jail cycle, be taken to a detoxication centre by the police for treatment. In most cases the person would remain at the centre until he was able to make a decision to release himself, or until delivered to a responsible person who would undertake to look after him.

At present the legislation would affect only those persons charged with being intoxicated in a public place.

The Addiction Research Foundation report indicates that Metropolitan Toronto should have a number of facilities which would total 125 beds, with the majority concentrated in the downtown area. I am speaking now, sir, of the detoxication centres. In their experience, they have found that the maximum number of beds per unit should be 20.

It is also suggested that the units should be geographically close to, and have a working arrangement with, a general hospital. In most centres outside of Metropolitan Toronto, the facility would be located in a general hospital. Approximately five per cent of the persons using the facility will require the intensive care normally available in a general hospital while the balance of 95 per cent, we feel, could be looked after by personnel trained specifically for the purpose, probably interns and nurses. Special units would also be made available for female patients.

Our long-term programme, as distinct from the short-term programme of detoxication centres, would implement the use of halfway houses to enable volunteers to remain in an atmosphere which would be more conducive to the treatment of their alcohol problem than the present revolving-door practice of arrest, incarceration and release and then re-arrest.

The importance of these post-detoxication facilities is obvious. Patients would be removed temporarily from the environment causing their problem and be provided with the opportunity for rehabilitation.

Research indicates that an annual volume of 1,000 arrests in a judicial district for public intoxication is the minimum to warrant establishing a detoxication centre. At the present time there are 11 areas in this province which now exceed 1,000 annual arrests for public drunkenness. These include York county, Middlesex, Wentworth, Thunder Bay, Sudbury, Lincoln, Essex, Kenora and Patricia, Carleton, Renfrew and Waterloo.

The recommendation in the report that the director of the local centre be given the power to detain the patient for a period of up to 24 hours has been rejected by the government. We feel that the requirements that the man be detained until he has either sufficiently recovered to make a decision himself to be released, or until someone responsible will take charge of him, is guidance

enough to the director of the detoxication centre.

On behalf of the government, I wish to congratulate and thank the committee for its hard work and its well researched report. It will enable the expeditious introduction of a progressive programme of very real social benefit to the people of our province.

Mr. Trotter: At long, long last!

Mr. Sopha: It took us 12 years.

Mr. E. Sargent (Grey-Bruce): Would the minister advise what happens to the areas not classed in the 11 groups? Do the people there not have the same rights as the other people?

Mr. Speaker: Order! The hon. member has asked his question.

Mr. Lewis: That is a very good point.

Hon. A. F. Lawrence: As I indicated, the report indicates that for the first branch of the implementation of this programme you need, obviously, a certain demand to set up these facilities. That demand, the minimum demand, is an annual arrest rate for drunkenness of 1,000 per year and I have indicated the 11 areas at the moment in the initial phase of the implementation of this programme, which is going obviously to be stretched over many years due to the scope of it. In the initial phase of this programme, the detoxication centres will be related to those 11 areas, unless there is a change in the drunkenness rate in any area.

Mr. Sargent: Mr. Speaker—

Mr. Speaker: The question has been asked.

Mr. Sargent: These are two different laws. It cannot work this way.

Mr. Speaker: This is not a debating period. The member has asked a question of clarification and that is the end of that.

Mr. Sargent: That is a bad law. In Owen Sound they go to jail; in Toronto they do not go to jail. It is wrong.

SECONDARY SCHOOLS AND BOARDS OF EDUCATION ACT

Hon. Mr. Welch moves first reading of bill intituled, An Act to amend The Secondary Schools and Boards of Education Act.

Motion agreed to; first reading of the bill.

PUBLIC SCHOOLS ACT

Hon. Mr. Welch moves first reading of bill intituled, An Act to amend The Public Schools Act.

Motion agreed to; first reading of the bill.

DEPARTMENT OF EDUCATION ACT

Hon. Mr. Welch moves first reading of bill intituled, An Act to amend The Department of Education Act.

Motion agreed to; first reading of the bill.

SCHOOLS ADMINISTRATION ACT

Hon. Mr. Welch moves first reading of bill intituled, An Act to amend The Schools Administration Act.

Motion agreed to; first reading of the bill.

SEPARATE SCHOOLS ACT

Hon. Mr. Welch moves first reading of bill intituled, An Act to amend The Separate Schools Act.

Motion agreed to; first reading of the bill.

Hon. R. Welch (Minister of Education): Mr. Speaker, by way of general comment, may I indicate that it would be my hope after second reading of this legislation it might go to the committee for more detailed study.

The Department of Education Act amendment which I have just brought in provides for the transfer to The Department of Colleges and Universities the administration of colleges of applied arts and technology, and for changes in the administration of certain scholarships and awards resulting from the discontinuance of province-wide grade 13 examinations and the establishment of county boards of education. As well, a number of housekeeping amendments, relating to the use of enrolment data, municipal recreation directors' certificates, and programmes of recreation are included.

The Public Schools Act amendments provide for wards of a Children's Aid Society to be admitted to a public school in the section in which the ward resides without payment of fee and to provide for the use of equalized assessment rather than local assessment because of the widely differing bases of assessment within a school division for determining the right of a nonresident pupil to attend without payment of a fee.

Other sections are amended to recognize that township school areas can occur only in the territorial districts and to provide that a board's requisition in municipalities, not in school divisions, is to be paid in instalments in the same manner as in school divisions.

The Schools Administration Act amendments provide for the average daily enrolment of a board to be determined on the basis of the enrolment on the last school day in each of the months of January, April and September; for the transfer of the operation of hospital and sanatorium schools to a school board at the request of the hospital or sanatorium board; and for a school board to provide transportation of pupils to and from schools for the blind and deaf and Ontario Hospital schools and children's mental health centres.

A number of other housekeeping amendments relating to salary matters, and payment of fees, duties of supervisory officers, and for the adjustment of an underlevy or overlevy over a period of two or three years are also included.

In The Secondary Schools and Boards of Education Act, Mr. Speaker, the amendments provide for the use of equalized assessment for determining the right of a nonresident pupil to attend a secondary school without payment of fee, and for wards of Children's Aid Societies to attend a secondary school without payment of a fee as well as an elementary school. In addition, a number of housekeeping amendments are included to clarify the rights of board members who are elected to fill a vacancy and to clarify the powers of a divisional board with respect to interim capital financing.

Finally, the amendments to The Separate Schools Act provide for the same right to attend a separate school for wards of a Children's Aid Society and nonresident pupils without payment of a fee, as provided in The Public Schools Act, and the procedures, Mr. Speaker, in connection with the collection of separate school rates by a municipal council are clarified.

CHILDREN'S BOARDING HOMES ACT

Hon. Mr. Wells moves first reading of bill intituled, An Act to amend The Children's Boarding Homes Act.

Motion agreed to; first reading of the bill.

Hon. Mr. Wells: Mr. Speaker, these amendments contain housekeeping amendments and some clarifications to provide that

this bill will take over now The Maternity Boarding Houses Act which is administered by The Department of Health. Notably the Act applies to homes in which three or more children are kept; the present requirement is that there be at least five. And it also raises the age under which this legislation would apply from 16 to 18 years.

MATERNITY BOARDING HOUSES ACT

Hon. A. B. R. Lawrence moves first reading of bill intituled, An Act to repeal The Maternity Boarding Houses Act.

Motion agreed to; first reading of the bill.

FAMILY BENEFITS ACT

Hon. Mr. Wells moves first reading of bill intituled, An Act to amend The Family Benefits Act.

Motion agreed to; first reading of the bill.

Hon. Mr. Wells: Mr. Speaker, this Act contains several changes, mostly of a house-keeping or clarification nature, which I would be happy to discuss in committee. I think that the one principal change is a change which will allow the department which administers The Family Benefits Act to pay directly to Ontario Housing that part of the allowance which is the shelter allowance in respect of any residents who are in arrears of their rent.

Mr. Speaker: Orders of the day.

Clerk of the House: The 12th order, Committee of the Whole House; Mr. A. E. Reuter in the chair.

Hon. A. A. Wishart (Minister of Financial and Commercial Affairs): I am sorry, Mr. Speaker, I had announced yesterday that perhaps we would go to Committee of the Whole House and the Provincial Secretary (Mr. Yaremko) was here in the corridor.

LIQUOR LICENCE ACT

House in committee on Bill 71, An Act to amend The Liquor Licence Act.

Mr. Chairman: Bill 71, An Act to amend The Liquor Licence Act. Are there any comments, questions or amendments to any section of the bill? If so, which section?

The member for Sarnia (Mr. Bullbrook)?

Mr. V. M. Singer (Downsview): Mr. Chairman—

Mr. Chairman: The member for Downsview. Which one?

On section 1:

Mr. Singer: Section 1 or 2!

When the minister made his original announcement in connection with these bills he talked about a system that I did not really understand and that was the method of balancing off liquor sales with food sales. I presume that is included in section 2, or what emanates from section 2; or perhaps it emanates from section 1. Could the minister clarify how we are going to carry out—where we find the authority to carry out—the scheme he announced?

Hon. J. Yaremko (Provincial Secretary): The scheme, Mr. Speaker, is in the regulations which read as follows:

Liquor may be sold and served

(a) In premises licensed as a lounge during the hours of 12 noon to 1 a.m. of the following day, on Monday to Saturday;

(b) In premises licensed as a dining lounge or dining room during the hours of 12 noon to 1 a.m. on the following day, on Monday to Saturday—

This is not in the Act, this is regulation—

Mr. Singer: No, I recognize that.

Hon. Mr. Yaremko: To continue: provided that

(i) The total receipts from the sale of liquor in any month shall not exceed the total receipts from the sale of food in the same month, and

(ii) A daily record showing the sales of liquor and food is maintained.

Mr. Singer: Am I correct, Mr. Chairman, in assuming that the authority for those regulations lies in the amendments that are set out in sections 1 and 2 of this Liquor Licence Act? Otherwise the regulations would not be valid; is that correct?

Hon. Mr. Yaremko: You see, the Act previously referred to defined a dining lounge as being one where liquor is served with meals. That is the only kind of a licence that has been issued so now, actually, the combination of sections 1, 2, 5 and 6 amend the definitions of the dining lounge and dining

room so that the requirement of "with meals" is deleted.

Mr. Singer: And the new requirement is where food is available? So that is the difference between the old section and the new. The new says "where food is available"?

Hon. Mr. Yaremko: Yes.

Mr. Singer: So I am correct in assuming, by reason of those changes in definition, after this Act is passed it would be valid to pass the regulations from which the minister quoted?

Hon. Mr. Yaremko: Yes.

Mr. Singer: All right. That brings me to this point. How is this scheme ever going to work out? How can the minister reasonably expect someone who operates a dining lounge to keep running books and determine once a day, once a week or once a month whether his liquor sales are higher or his food sales are lower and to adjust those on D-day or inspector day or Yaremko day so that they will balance out and so he will not have committed an offence?

It seems to me to be one of the most ludicrous suggestions that this government has as yet come forward with—and it has come forward with some pretty stupid ones. Does the minister really seriously believe that he is effecting any important reform in trying to work out this complicated system of checks and balances so that the bartender or the owner or the fellow who keeps the books is supposed to figure out whether, if he serves one more glass of wine, he should serve another piece of cheese? It does not make any sense.

Surely, Mr. Chairman, what the government is actually inviting the operators of these licensed premises to do is to break the law or play games with its inspectors, and I do not think this makes any reasonable contribution to intelligent liquor laws in this province.

Since this thing came out and since the minister made his original announcement, I have talked to a great number of people who operate this kind of establishment and they just have no idea how this is possibly going to work. They say that what in fact the minister is inviting them to do is to enter into all sorts of complicated arithmetic, and if the thing does not balance and they have the choice between insulting their customers and perhaps driving them away or balancing

the books for the sake of the inspector, in fact they are going to cook the books.

I do not think the minister makes any contribution in this at all, and with those regulations that he read to us, he adds greater confusion to these laws which are confusing enough as they are.

Hon. Mr. Yaremko: Mr. Chairman, I do not really know to whom the hon. member for Downsview has spoken. The hon. member for Downsview starts out with the goal of making fun of or repeating tiresome descriptive phrases of our liquor laws. I will read to him, for his edification, from a brief by the Ontario region of the Canadian Restaurant Association, the voice of the food service and hospitality industry.

FOOD AND LIQUOR SALES IN DINING LOUNGES

The existing law that requires licensed food service operations to serve meals with drinks is no longer equitable or workable. This is because of the varying conditions which prevail in the different types and locations of licensed outlets and the continuing confusion as to what constitutes a meal.

I stress now, Mr. Chairman:

Certainly we agree with the government's philosophy of close identification between the sale of food and alcoholic beverages and we do not suggest that this be entirely at any operator's discretion.

We do believe, however, that the formula would be eminently more fair and workable—

I underline—

—eminently more fair and workable if it were amended so that the dining lounges were granted permission for the sale of liquor without food when requested by customers, provided that a reasonable ratio of food and liquor is maintained.

Mr. Chairman, I believe our amendments fully meet the requirements of the voice of the food service and hospitality industry.

Mr. Singer: Mr. Chairman, the minister describes my phrases as tiresome. They are indeed tiresome. They are tiresome to all of the people of Ontario—

Hon. Mr. Yaremko: And no longer factual.

Mr. Singer: —as the minister is; he is tiresome too. I say, notwithstanding a phrase

that the minister happened to pick out of a brief—

Hon. Mr. Yaremko: They are completely invalid, as is the hon. member.

Mr. Singer:—the scheme that the minister presents is a ludicrous one. He is inviting lawbreaking, he is setting up a scheme that is almost going to be impossible to enforce, and in the event that he or the officials of the Province of Ontario attempt to enforce it, the courts are going to be clogged with these terrible lawbreakers who have not managed to balance their books at the end of the month and who served one more glass of gin and tonic than they did serve cheese sandwiches. If that makes any sense at all to the minister, it certainly does not make any sense to me, nor does it make any sense to those people in the food and beverage industry that I have talked to.

Mr. Chairman: The member for Windsor-Walkerville.

Mr. B. Newman (Windsor-Walkerville): Mr. Chairman, once again I wanted to bring to the minister's attention the peculiar situation in which the hospitality industry finds itself in the city of Windsor.

Mr. Chairman: What section?

Mr. B. Newman: That is section 1 of the bill.

This situation is a result of daylight saving time. Not only should I say daylight saving time, but also it is a fact that the liquor laws in the State of Michigan have been relaxed. I wonder if the minister is aware—and I am sure he is aware—of the effect on the hospitality industry in the city of Windsor which caters 90 per cent, and possibly higher than that, to the American trade. By maintaining the hours such as are in the regulations today he is killing the goose that lays the golden egg.

The minister will come along and say, "Well, we cannot have special licences." Yes, we can have special licences. He does have special licences now in his department for those who dispense alcoholic beverages.

I think the minister has to seriously consider the plight of the hospitality industry in all the towns and cities that border the State of Michigan. If the minister wants to continue collecting the sales tax that these people collect from the sale of beverages, then he is going to have to accommodate

them after a fashion, otherwise he is going to be throwing away in the city of Windsor alone about half a million dollars in sales tax.

One of the establishments mentioned to me less than 10 minutes ago by telephone that they contribute \$50,000 a year in sales tax, 90 per cent of that coming from the American customer, not from the Canadian.

If the minister does not come along and accommodate the industry, he is going to aggravate an unemployment situation in the community. Some of the establishments now have had to reduce personnel from a high of 72 to a low of 40 and if this policy continues on the part of the government in a city close to the American border, bordering the State of Michigan, he is going to aggravate the situation far more seriously than he realizes.

In the city of Windsor, there are approximately 10—I may be subject to correction as to the number, but a substantial number of first-class taverns and eating establishments that cater to the American tourist and the American conventioneer. The minister is going to have to accommodate the hospitality industry in the community. If he wants the industry from a sales tax point of view, he is going to have to accommodate them. If he wants the industry from an employment point of view, he is going to have to accommodate them.

Remember the State of Michigan now has the closing hour of 2 o'clock a.m. Why should an American come from Detroit to Windsor to indulge in a little of the liquid refreshment and good Canadian food when the convention is over with at 10:30, which is 11:30 our time? He comes to Windsor and he has a half-hour or an hour and a half. He would be better off to stay in Detroit, rather than come into Windsor.

We have a peculiar situation in the community that needs special consideration, extra consideration, especially during the daylight saving hours. I beg the minister to come along and consider this.

Consider the loss of revenue to the province. Consider the effect on those who could gain or are gaining employment, as a result of catering to Americans. Consider the fact that the prom trade has practically disappeared in the city of Windsor over the last year, from a high of about \$50,000 a year in one establishment to nothing today, as a result of the daylight saving time and, as a result of the refusal of his department

to extend opening hours in the certain types and restricted types of establishments.

Mr. Chairman, I could speak to no end on the seriousness of the situation as it affects the hospitality industry in the city of Windsor, and I ask the minister to consider this seriously: Accommodate them after some fashion or we are going to drive the hospitality industry out completely or it will operate on a really small-time basis. The Americans will not come to the city of Windsor because they are going to say, Why go over there when it has nothing as far as hospitality to offer us? He is going to stay in his own community; he will stay out of the city of Windsor, and we and the minister are going to suffer for this.

Hon. Mr. Yaremko: Mr. Chairman, we are aware of the problem. It not only exists at the border crossing points, it exists throughout Ontario where there are municipalities that are on daylight saving time adjacent to municipalities that are on standard time. We have not yet come up with a solution. The suggestion which was put forward was not found to be acceptable. How we are going to deal with it remains yet for the future.

Mr. B. Newman: A supplementary, Mr. Chairman: I would like to pursue this a bit, because—

Mr. Chairman: Order, please. There is nothing related to the hours in section 1 that I can see.

Mr. B. Newman: Sure it is. That comes right under—

Mr. Chairman: Whereabouts?

Mr. B. Newman: Subsection 2, clause (e): “‘Dining room’ means a part of an establishment—” It fits right in there. Mr. Chairman, the situation in the city of Windsor is different from any other part of the Province of Ontario—

Mr. Chairman: Order please! Order! There is nothing mentioned here about the time in this Act whatsoever.

Mr. B. Newman: There certainly is, Mr. Chairman, because it comes along and says in the third last line: “are prescribed by the regulations are regularly furnished to the public.” The regulations are involved in here, and it is a matter of life and death to a number of establishments in the community. It is all right for the minister to

come along and say there is the difference in time in other parts of the Province of Ontario, but it does not affect as many people in other parts of the province as it does in a border town, and especially Windsor, being across the river from approximately five million people who we can cater to. He has to give consideration to this.

Mr. Chairman: Shall section 1 stand as part of the bill?

Section 1 agreed to.

Mr. Chairman: Any other section for comment, question or amendment? The member for Sarnia.

Mr. J. E. Bullbrook (Sarnia): Yes, I want to comment in connection with the application of section 4, subsection 5.

Mr. Chairman: Is there anything before section 4? Nothing before section 4? The member for Sarnia.

On section 4:

Mr. Bullbrook: Yes, I do not propose an amendment at this time because I rise with some degree of trepidation in connection with the dual function that I have—one as a solicitor practising and of course my prime function as a legislator and representing my constituency.

I want to read, if I might, subsection 5:

Where a corporation is convicted of an offence under subsection 1, 2, 3, or 4, other than for a contravention of section 57 the maximum penalty that may be imposed is \$25,000 and not as provided therein.

The effect of the amendment, as I read it—and I believe the minister would concur—is that the minimum fine of \$5,000, as previously envisaged, has been wiped out. The situation is that I was involved professionally, as late as three months ago, in the defence of a corporation which had been prosecuted under subsection 4 of section 53 of the statute, “permitting drunkenness.”

I want to record, if I might, my pleasure in connection with the eradication of the minimum fine. I first say that the maintaining of the maximum fine of \$25,000, in my respectful opinion, would lead a court to believe that this Legislature still regards an abrogation of the provisions of the statute other than section 57 in the light of a fine of \$25,000. Now, I ask the minister, through you, Mr. Chairman, to recognize some of the

words that are used in the statute. For example, permitting drunkenness. I ask the government to recognize the obligation that it puts upon a licensee, from the time he opens at 12 noon until the time he closes that evening or the next morning. The obligation that it places upon him is to tread a line in his own, not subjective evaluation, but in the objective evaluation of this statute and ultimately a court, between sobriety, between some form of intoxication or between drunkenness. This is the obligation he has, because under this statute the government juxtaposes, for some reason, the words, intoxication and drunkenness.

I took the position before the courts that the government did it with a purpose and that drunkenness was, in effect, the superior condition, for want of a better way of expressing it, than intoxication. The court did not accept that. But there is an unreported decision of Mr. Justice Jessup, not on all fours with this situation, where he talks about a person entering a licensed premises. He says in that decision, and I attempt to paraphrase him.

He says that one would expect that, when a person enters an establishment licensed under The Liquor Licence Act and has a beverage that it dispenses, he would not maintain the same degree of sobriety than if he never entered the place at all.

I think that is a matter of logic. The problem I ask the members of this House to consider is the onus that we place upon a licensee. We say to him under the statute, "You shall not permit or suffer drunkenness." Such general abstract phrases! You know what we do to him. We say, in effect, "If you permit or suffer drunkenness, we will fine you \$25,000." That is what we say.

We say, "That is the fine that this Legislature feels in its wisdom is appropriate to the offence that you have committed." I say it is entirely unrealistic. The first thing I exhort of the minister is to consider some degree of retroactivity in connection with this legislation.

I have been in direct communication subsequent to my professional involvement in this matter and, by the way, the matter in which I am involved I am no longer vested with. An eminent counsel has taken the appeal on this, but the matter is still before the courts. To get back to the point that I make here, I had been in communication with the predecessor of the present Provincial Secretary (Mr. Welch). I had been in communication with The Department of

Justice, because what has happened, as you are aware, is that the OPP morality division undertook a great and grand campaign for some reason in the early part of this year.

They never did go to the local golf and country clubs; they never did go to any private clubs. But you know where they went every place? They went into the working man's hotel; that is where they went. They saw there some of the things, some of the unfortunate aspects of our society and, that is, men who have worked all day—slugged it out, in point of fact, in a foundry—and were sitting there and probably having six and seven and eight glasses of beer and were enjoying themselves and were attempting to relieve themselves from the weariness and drudgery of that day-to-day responsibility that they have. I am not here as any apologist for their conduct, but I am here to suggest to the government that it recognize what we continue to do in this legislation.

We continue to say to the operator of that hotel who permits that man to come in, "There is an onus on you, Mr. Licensee, to decide when that gentleman is, in your opinion, drunk—no, not, in your opinion, drunk—but drunk." That is what it says, "to permit or suffer drunkenness."

I say, as a matter of fact, that we must have some regulations in this connection. I subscribe to the general philosophy that there is an obligation on the licensee because it is a privilege granted by this Legislature and its delegated authority to carry on this type of business. But I exhort the minister—I trust he is listening to me—I exhort him to consider two things. I exhort him to consider the possibility of retroactivity. He would not have brought this legislation in if he did not agree, I think, with the thrust put forward to him by the Ontario Hotel and Motel Association in connection with the almost unbearable obligation that a licensee had to evaluate.

There are certain things in the statute where there is an objective situation. It says in the statute, "You shall not permit gambling." In point of fact, that is fine. Gambling! If we decide as a Legislature that we should not have gambling in licensed premises then the operator knows that and if he permits gambling, in point of fact he offends the statute. But it is these almost ambivalent and certainly ambiguous words, such as "permitting drunkenness" and "suffering intoxication," almost mid-Victorian in their import, that concern me.

So I ask the minister, one, will he consider making this legislation retroactive, so that those people who were prosecuted, for example, for not serving a sandwich on Sunday and fined \$5,000, or people who were prosecuted for suffering drunkenness and fined \$5,000—

In point of fact, let me tell the minister something, if I might. The member for Windsor-Walkerville is absolutely on, directly right on, and in my most respectful submission, it ill behooves the minister to say that the border towns are not suffering any more than any other places in Ontario. The fact of the matter is that they are suffering more. What happens is, in attempting to operate—

Hon. Mr. Yaremko: Mr. Chairman, I did not say that. All I said is that the problem is not restricted to border towns.

Mr. Bullbrook: All right. Then I apologize for misconstruing what was said by the minister and the record now is straight. However, I would say this, that the problem is much more serious in a border community. All one has to do is to go to the Blue Water Bridge on a Saturday night and you will see the influx of trade into the United States from Canada. This is the problem they have.

The point I want to make here is that the hotel industry is in trouble. The small hotel industry in every one of our ridings is in trouble, you see, because we create by these very laws an artificial value; that is, the value of the licence. We have done it over the years. We have had hotels whose physical plant was not worth \$250,000 being sold for \$750,000 because the fact is that we exercise a stricture and prerogative in connection with this. We said that there shall be the right to sell booze—

Hon. Mr. Yaremko: Mr. Chairman.

Mr. Bullbrook: I am sorry—and concurrent with that right we have created, in effect, a capital asset. We have created a capital asset.

Mr. Chairman: Order, please. We are straying from the purpose of this particular amendment.

Mr. Bullbrook: Well, if the minister wants me to direct the relevance, then I will. Okay, I will direct the relevance, Mr. Chairman.

I am saying, in effect, that a \$5,000 fine was too much; that a \$25,000 fine is certainly way too much. I am pointing out the industry itself is a sick industry and that a \$25,000 fine—nay, a \$5,000 fine—could put a hotel out

of business. This is the point. And that is what I suggest is the relevancy. That is the relevancy.

I will not continue then, sir, but I want to point this out to you. These people are in trouble, because of this artificial value. Every person who represents a riding has this problem. You know of the old downtown hotels that were sold on a gallonage basis for \$750,000 and they just are not worth it any more, because now we are taking a more liberal attitude in connection with licensing. You find, in effect, operators who have paid \$1 million and \$750,000 for hotels are now competing with dining rooms next door where the capital investment is not \$100,000.

If there is a relevancy, I would suggest the relevancy is this, Mr. Chairman. The relevancy is that we must take a more realistic viewpoint in connection with this fine. Perhaps you will not, but I do not feel that I can oblige a licensee to make that judgement in connection with those words; “to permit or suffer drunkenness,” and say: “If you do not make that judgement properly, and if you do not distinguish between sobriety, between intoxication and drunkenness, we will fine you up to \$25,000.”

Please consider making this retroactive. Please relieve those people who require relief from the burden of the antiquated laws that were in existence. And please consider, if you would, a more realistic maximum. I am inclined to think that a court, when looking at this, would tend to feel that a Legislature regards this offence as an extremely significant one, at \$25,000.

I frankly say this to the minister, and I reiterate for a moment, that the curdling aspect of this whole involvement has been in my opinion the fact that they did not go to the golf and country clubs. Every prosecution under this section was in a working man's hotel, for some reason or other. Why? I do not know. I ask the Deputy Minister of Justice.

They do not have guts enough to go to the local golf and country club or the private clubs. There seems to be a law for the rich and a law for the poor, and it is the working man's hotel where he cannot stand or sit and have his beers. If I am exercised I am exercised with great justification because I am convinced that in the prosecution of the laws relating to liquor in this province they are after the poor people. You do not find them prosecuting the Albany Club or whatever club the Liberal club is—I do not mean any partisan connotation by that.

Mr. J. Renwick (Riverdale): The Ontario Club.

Mr. Bullbrook: The Ontario Club. I have never been there. In point of fact there is not a club in this province where there has not been some degree of intoxication but you do not see them prosecuting those clubs. You see them prosecuting the poor working man's hotel where the owner is attempting, because of our system, to scratch out an existence and meet his equity obligations. If I become, as I say, exercised, it is with sincere motivation. I ask you to consider if you would—

Mr. J. Renwick: I am just about ready to weep.

Mr. E. W. Sopha (Sudbury): Do not let him distract you.

Mr. Bullbrook: He is having one—actually the best time of day is when he shaves in the morning; he loves it. He gets in front of the mirror and he thinks of everything he is going to say.

Mr. D. C. MacDonald (York South): The member should get in front of the mirror every now and then and take a look at himself.

Mr. Bullbrook: There is the member for York South now.

Mr. J. Renwick: Let us go out and have a beer in one of the pubs.

Mr. Bullbrook: The problem, Mr. Chairman, is nobody in this Legislature is ever allowed to feel for the working man unless one is knee deep in kneedeepers. That is it. That is all I have to say. I would appreciate very much the minister's response to this and some consideration.

Hon. Mr. Yaremko: I just want to say that the amendment itself is a recognition that the peculiarities of the legislative process brought about a situation which, to my knowledge, nobody ever intended by way of such a drastic penalty; or situations which, although deserving of some sort of an imposition of a fine, the minimum was accepted as being punitive. I have, therefore, this amendment. I have asked the Minister of Justice to review and perhaps provide me with a list of those who have been affected by this particular section and the matter will be taken up by the government in due course.

Mr. Bullbrook: I am very pleased to hear that.

Hon. Mr. Yaremko: I may say that I do not completely share with the hon. member the fact that the proprietor should be relieved of this burden. The proprietors, the licensees, are still in a privileged group. They have a certain—

Mr. Bullbrook: Well, I did not say they should.

Hon. Mr. Yaremko: The hon. member did acknowledge that and it is—

Mr. Bullbrook: On a point of order. I did not say they should be relieved of the burden. I asked you to reconsider the maximum fine of \$25,000 in the context.

Hon. Mr. Yaremko: We thought that we would leave the basic direction to the judge. He can impose a \$1 fine or \$100 fine at the present time, whatever he thinks suitable. If we had removed the top limit then there would be no limit; the judge could impose a \$50,000 or \$100,000 fine. It was just an indication. I would hope that our experience in the future would lead us to believe that the magistrates would not be led on by the size of the particular maximum.

I may say, Mr. Chairman, that I have not reviewed all of the instances where this punitive penalty applied but I am aware of at least one where I would imagine seldom, if at any time, any number of the working class entered the licensed premises. I am in no position to pick and choose as to the classification of establishments that have suffered. There has been a number; I do not have the total number before me. We are aware of the difficulties of some of the small hotels in northern Ontario and in the rural parts and smaller communities of the province. The board has this in mind as it implements and changes policy from time to time.

Mr. Bullbrook: Well, if I might be permitted just for a moment, would the minister direct his comments or make some response in connection with the maximum of \$25,000? I did not at any time presume that he would remove the maximum, but it would seem to me that when we present a court with a maximum fine of \$25,000 it certainly invites, collaterally if not directly, the court consideration that this Legislature, in permitting a maximum fine of \$25,000, regards the offence that extremely. For example, would you not consider a maximum fine of \$2,500?

Mr. Chairman: Does the minister have any response?

Hon. Mr. Yaremko: I think the hon. member has made his point.

Mr. B. Newman: But no action.

Mr. Chairman: Anything further on section 4?

Section 4 agreed to.

Mr. Chairman: Any questions, comments or amendments to any other section of the bill?

Bill 71 reported.

LIQUOR CONTROL ACT

House in committee on Bill 72, An Act to amend The Liquor Control Act.

Mr. Chairman: Bill 72, An Act to amend The Liquor Control Act. Are there any comments, questions or amendments to any section of this bill? The hon. member for Scarborough West on which section?

Mr. S. Lewis (Scarborough West): Section 2, Mr. Chairman.

Mr. Chairman: Anything on section 1? All right, the hon member for Scarborough West then on section 2.

On section 2:

Mr. Lewis: Mr. Chairman, I want initially to ask the minister a question about section 2. I want to know why the words, "except in the case of beer," are inserted in that section?

Hon. Mr. Yaremko: Mr. Chairman, that is still within the terms of the present Act. The present section, subsection 2, reads:

The board may fix the prices at which the various classes, varieties and brands of liquor are to be sold and, except in the case of beer, such prices shall be the same at all government stores.

And so that it will clarify for the hon. member and members of the public, it could be read again as follows:

The board may fix the prices at which the various classes, varieties and brands of liquor are to be sold and . . . such prices shall be the same at all government stores.

The price of liquor must be exactly the same across the province.

Mr. Lewis: Right!

Hon. Mr. Yaremko: The exception has existed in the case of beer, where at one time there was a differential in the price of beer in northern Ontario and in southern Ontario. Of course, if any brewer came along who wanted to sell beer at a lower price, there could be a variance in price in different parts of the province.

That has always been the case. Now, since it is envisaged that the duty-free shop will have prices which will be lower than at the regular stores, that will be the one exception. Beer is a bulk product and in the past there have been variations in shipping charges; that has been a characteristic in the past.

Mr. Lewis: Well, Mr. Chairman, I remain perplexed because one of the perhaps lesser highlights of the budget, but nonetheless a notable one, was the equalization of beer prices, as of May 1 in northern and southern Ontario. By increasing the cost in the south by 15 cents and by reducing it in the north by 11 cents per case, the price became \$4.65 across the board throughout Ontario. I want to know why it is that a bill should follow the equalization principle in the budget, but refuse to give to the board the power to fix the price for beer across the province at a similar price.

On the other hand, if the minister can give me an example, either present or past, where a brewery has asked unilaterally to lower beer prices in Ontario and it is for that reason that the minister is leaving it flexible, then I could understand it. But I have not heard of breweries coming to the government latterly and asked the government to lower prices.

I have, of course, heard the converse. And I wonder why it is that the minister will not accede to the principle laid out in his own budget which was quite categorical on page 28—"Equalization of beer prices."

The Provincial Secretary trumpeted it with some glee at the time. He has set an established rate. Why should he now permit the right to vary it, which, if it ever is varied will be varied upward? Why cannot the Liquor Control Board view beer as liquor, which is done in the definition section of the Act, and have a standard price across the province?

Hon. Mr. Yaremko: Mr. Chairman, when you walk into any one of the government stores classified as a Brewers' Retail you will find that the same price per case prevails right across the board.

Mr. Lewis: Right!

Hon. Mr. Yaremko: We have not had the proposition put to us in Ontario, but there are situations in other parts of Canada where there is a differential in the price of beer vis-à-vis one brewer's bottle and another brewer's bottle, and this would permit that. If we did not have that provision, no matter what the brewers might propose, the statute would have fixed one price for all of Ontario.

Mr. Lewis: May I understand, Mr. Minister, do you have an example of a brewer attempting to vary the price to a lesser level?

Mr. D. M. De Monte (Dovercourt): Dorans, Sault Ste. Marie?

Hon. Mr. Yaremko: Not yet in Ontario.

Mr. Lewis: Not yet?

Hon. Mr. Yaremko: Not yet in Ontario.

Mr. Lewis: Not yet in Ontario. Then what in heaven's name is the purpose of the section then which is, presumably, to support the government position which was to equalize beer prices?

Hon. Mr. Yaremko: The hon. member fails to see that if a statute provided that the price of beer must be exactly the same across the province, it would mean that the prices of all beers would have to be the same.

Mr. MacDonald: That is the minister's policy though!

Hon. Mr. Yaremko: No. The policy can be interpreted if you walk into a government store for retail use and see that there is one price for all brands.

Mr. Lewis: Right!

Mr. MacDonald: Right!

Mr. J. Renwick: Right!

Mr. MacDonald: What is the point of this then? Why is the hon. minister tolerating this?

Hon. Mr. Yaremko: Under the possible interpretation of this section, the price would not have to be the same by statute.

Mr. J. Renwick: But we want them to be the same.

Hon. Mr. Yaremko: No, not necessarily.

Mr. Lewis: Not necessarily? What is the minister saying, that his budget is a false step?

Hon. Mr. Yaremko: No, no, nothing to do with the budget at all. This is an equalization—the budget refers to an equalization of the price of beer across Ontario.

Mr. J. Renwick: That is right.

Hon. Mr. Yaremko: We are talking about the differential in the cost of one bottle of beer as opposed to a different bottle of beer, perhaps in the same place.

Mr. J. Renwick: But no such thing has happened.

Mr. MacDonald: Mr. Chairman, the most offensive aspect of this exchange is the put-on. The minister says it has not yet happened in Ontario and yet with an uncharacteristic zeal he is rushing in to permit a situation which he says will accommodate a request for the reduction in the price of the beer. That is the put-on.

There is not going to be any reduction in the price of beer. There never has been a reduction in the price of beer. Having established equalization across the board, now, within a couple of months, the minister is bringing in a statute which is going to open the door for reasons, which I suggest once again, are a put-on to be able to make it possible to reduce the price in some areas.

Hon. Mr. Yaremko: Mr. Chairman, just to clarify. The only change in the section as it now stands is the exception of the so-called duty-free shop. The other part is not being amended. It has always been the case. I read the present section which has an exception with reference to beer and we did not want to change that in the event, I do not know, this is not a put-on, but certainly I do not think the hon. member would want to be party to a statutory prohibition in any variance in the price of beers as between brewers.

Mr. MacDonald: There is none.

Mr. C. G. Pilkey (Oshawa): Mr. Chairman, are you suggesting that if one brand, brand A, is \$5 a case right across the province, there might possibly be another brand, brand B, that could be \$4.75, but that price would be right across the province? In other words, there would not be a variance between the various retail outlets in the province; that would be a uniform price right across the

province? But the minister is saying to us that there could be a different price as it relates to different brands.

An. hon. member: I will outlive that law.

Mr. Chairman: Is section 2 carried?

Mr. Lewis: No, no. I want to pursue this in a different context, Mr. Minister, because, of course, as things can be lowered so can they be raised. Where you have got an equalization across the province of \$4.65 a case, according to the budget—I suppose when you add in everything it is \$5—the possibility exists that the government might want to raise the price. Is that it? And you give yourself that out as well by not having to proceed through the Liquor Control Board. You might want to raise the price?

Hon. Mr. Yaremko: The government does not want to fix the prices. It is the Liquor Control Board that does that.

Mr. Lewis: Now just a moment. The government announced in its budget that beer prices in Ontario were changing. The government made the announcement, not the Liquor Control Board.

Mr. MacDonald: The government asked their permission before they did it?

Mr. Lewis: This comes right to the heart of another aspect of deception. How does the government determine this? How are beer prices arrived at in the Province of Ontario as between the so-called co-op, the brewers' warehousing, the Liquor Control Board, the government of Ontario? How does the government arrive at the beer price? How is it set?

Hon. Mr. Yaremko: The price is fixed by the board in accordance with the board, who may fix the prices.

Mr. Lewis: Except in the case of beer.

Hon. Mr. Yaremko: Yes. No. The exception—

Mr. Lewis: Applies, I see.

Hon. Mr. Yaremko: —is that the price of beer must be the same. The hon. member for Oshawa grasped the point immediately. The budget is talking about one thing—

Mr. Pilkey: It took me quite a while.

Hon. Mr. Yaremko: —and we are talking about something completely different.

Mr. MacDonald: The member grasped it but he does not believe it, so I believe.

Hon. Mr. Yaremko: There are places in Canada where there is a differential in the price of a bottle of beer.

Mr. Pilkey: That is right. In British Columbia.

An hon. member: The member is right.

Another hon. member: That is right. In Ontario. Sure.

An hon. member: What, Formosa?

Mr. Chairman: Shall section 2 carry?

Mr. Lewis: No, it is not carried. I know that in northern Ontario—are there one or two communities in northern Ontario, maybe the Soo—where local beer, Dorans or something else, is slightly less. But I want to ask the minister this: He said that the Liquor Control Board sets the price, so that this announcement in the budget was on behalf of the Liquor Control Board, I take it?

An hon. member: On behalf of the brewers.

Hon. Mr. Yaremko: Yes, the Treasurer (Mr. McKeough) would be aware of the price that the Liquor Control Board would have fixed. Very recently the Liquor Control Board fixed the prices of some 153 brands of wine.

Mr. Lewis: Yes, I understand that. Now, talking about beer, in other words the Liquor Control Board said to the provincial Treasurer: "You can announce in your budget the change in beer prices which we have agreed to." The government did not do it unilaterally and then inform the Liquor Control Board?

Hon. Mr. Yaremko: The government takes the ultimate responsibility for all decisions. The board makes policy decisions but if a policy decision is not in keeping with the government's policy, the government's policy always has precedence.

Mr. Lewis: I want to understand—and I think this section is the place to raise it—I want to understand how this was done and justified publicly; the overall increase in beer prices which the Liquor Control Board approved, which will now be subject to this, or any other section, and how it was legitimized by government? I want to ask the

minister, if possible, to give us an explanation before this section is passed.

As I understand it, with the additional 15 cents on the cost of a case of beer through southern Ontario, \$2.5 million comes into the industry as a consequence of that. I just want to point out to the minister that the return on investment in the brewery industry in 1968 was 34.4 per cent. In manufacturing it is 15.9 per cent; that is before taxes. The return on equity after taxes in the breweries is 16.7 per cent; for manufacturing it is 9.3 per cent. The markup on sales for the breweries is 55.5 per cent; for manufacturing it is 21.8 per cent.

I want to understand how this government legitimizes paying another \$2.5 million to the breweries and then will not allow the Liquor Control Board to set prices right across the province in all outlets which would reflect the profits which the breweries are making, which are unconscionable. There has come into my possession—and I just need to make these one or two short points and then I can take my seat; I need not prevail longer—a breakdown of the Molson Breweries of Canada Limited group in its Ontario division. I want to share that with the minister because it is really quite remarkable.

The divisional pre-tax earnings for Molson's Brewery in Ontario were estimated for 1972 to go up 2.6 per cent, and that was before the increase in the price of beer which the government granted to southern Ontario. A 2.6 per cent increase would give them \$11.2 million of pre-tax earnings. Then, on top of that, Mr. Chairman, the return on investment for Molson's (Ontario) Limited in 1972 is expected to be 45.3 per cent. Does the minister know any other sector in the economy which gives a 45 per cent return on investment?

Hon. Mr. Yaremko: On a point of order, Mr. Chairman, I think the hon. member has made his point. I just bring it to your attention that I think that the matters which he is raising should be raised either during the course of some discussion relating to The Department of the Treasury or in the budget debate. What we are dealing with now is the legislative process. I would suggest that the discussion the hon. member is pursuing is out of order.

Mr. Lewis: I understand how the discussion may not be entirely palatable but I also understand, I think, Mr. Chairman, and I assure—

Hon. Mr. Yaremko: I said, Mr. Chairman, that they were out of order. O-r-d-e-r does not spell palatable.

Mr. Chairman: Order, please.

Mr. Lewis: A man of the minister's sturdy intellect need not stoop to spelling.

Mr. Chairman: Order, please.

Hon. Mr. Yaremko: For the member it may be necessary.

Mr. Chairman: Order, please: It seems to me that we are dealing with an amendment to a certain Act. Subsection 2 of section 30 of The Liquor Control Act is being amended here and certain additions or changes are being made to that section. Those amendments are only to do with that situation which permits the sale of liquor at reduced prices at duty-free locations. The amendment—the repeal of the section—has nothing whatsoever to do with beer.

Mr. Lewis: No, no, Mr. Chairman.

Mr. Chairman: We are dealing only with the amendment before us.

Mr. Lewis: With respect, sir, were I to move an amendment deleting the phrase, "except in the case of beer," the amendment would then deal very specifically with beer because under the definition section, liquor embraces beer. Before I decide whether or not to move such an amendment, I was just putting to the House, very briefly, the basis on which it would be made, which is that there are unconscionable profits accruing in the brewing industry that the government has granted them. Therefore, the Liquor Control Board should be given, without any strings attached, the right to set prices right across the board at level commensurate with those profits. I want the minister to tell me, through the Chair, what other company he knows that makes a 45.3 per cent return on investment. Does he know of any? That is before he increased the prices, which means that Molson's (Ontario) Limited will be making an over 50 per cent return on investment.

Mr. Chairman: Order please!

Mr. Lewis: And in a—

Mr. Chairman: I must again point out to the hon. member that the amendment before us has nothing whatsoever to do with the price of beer. That section, section 2 of the bill, is only repetition of what appears in the original bill. The amendment has only

to do with the reduced prices in connection with the sale of liquor at duty-free locations. Any such motion as the hon. member suggested would be out of order in itself.

Mr. MacDonald: No, it would be quite proper.

Mr. Lewis: I rather think it would not be out of order to delete a phrase, "except in the case of beer." All we would be saying, Mr. Chairman, is that we would appreciate the same principles applied to beer as have applied to any other form of liquor in the Province of Ontario.

Mr. Chairman: This is a change in the original bill which we are not dealing with.

Mr. Lewis: No, the amendment includes—

Mr. MacDonald: On a point of order, Mr. Chairman, if the government chose to bring in the original section and add something to it, what is before us, before the House, is the amendment.

Mr. Chairman: Only the addition is before us, right.

Mr. J. Renwick: There is no addition here. It is repealed and the following substituted—

Mr. Chairman: The section is amended.

Mr. Lewis: The amendment says—

Hon. A. F. Lawrence (Minister of Justice): Are you appealing the decision of the Chairman or not?

Mr. MacDonald: Yes, if we have to.

Mr. Lewis: The Chairman, unlike the minister, is very anxious to get into these estimates. He is a reasonable man.

Mr. Chairman: No, I have not made a ruling. I have offered something for consideration; I have not yet ruled.

Mr. Lewis: I am sorry, Mr. Chairman, I do not want to cavil with you. The amendment which is before us, Bill 72, says, "Subsection 2 of section 30 of The Liquor Control Act is repealed and the following substituted therefor."

The former portion is completely repealed. This clause is completely substituted and in this clause it says, "except in the case of beer."

Were we then to ask to delete the words "except in the case of beer" we would be absolutely perfectly in order. We would

simply be saying that we do not think that the bill as amended should exclude beer from being sold in this way in Ontario. It should include it, and I am inching my way—

Mr. Chairman: Let me deal with your comments.

Mr. Lewis: Right, sorry.

Mr. Chairman: I was guided, of course, by the explanatory notes of section 2 which refer to an amendment, as you can see yourself, which deals only with the sale of liquor at reduced prices in these stores.

An hon. member: No.

Mr. Chairman: There is one point which perhaps—

Mr. MacDonald: The explanatory note is not part of the bill.

Mr. Chairman: Let me finish, please.

Mr. Lewis: Yes, sure. I see what you are saying.

Mr. Chairman: It refers to the amendment. There is one point, however, which perhaps I missed. I note in section 2 of the bill that subsection 2 of section 30 is repealed.

Mr. MacDonald: Right.

Mr. Chairman: It seems to me that is the key and that therefore such an amendment can be accepted.

Mr. Lewis: We are just discussing the prescience with which we infected this clause before we came to it Mr. Chairman, I appreciate the ruling you are making. I was simply giving this background information by way of reinforcing our position.

Our position is that the people over there are making a fortune for the brewery companies. I want to tell members—I got this material anonymously, I admit it—that you cannot get the breakdown for Molson's Ontario; you cannot normally extract the specifics from that conglomerate. This information comes from their profit plan, fiscal 1972. An over 50 per cent return on investment is what the government is giving them; a 2.6 increase on the divisional pre-tax earnings before the increase of beer is what the government is giving them.

You are giving them extra millions of gallons which they now anticipate, of eight per cent between 1971 and 1972; up from 34

million gallons to 37 million gallons. You are giving to the brewery such an extraordinary measure of public money that one does not know how you can possibly countenance it.

I have shown you how their balance sheets compare with the manufacturing sector. They are vastly inflated. I have given the details of one of the major brewing corporations, broken down into Molson's Ontario Limited. Surely, you can then give the Liquor Control Board the simple right to set the price of beer at a level not only which people can afford but which is justified in terms of the profits which are being made.

Mr. J. Renwick: Right!

Mr. Lewis: That would bring the price of beer down right across the Province of Ontario—not just 11 cents in the north—but right across Ontario and at an equal level, a principle to which we have subscribed for some considerable period of time before the government introduced it.

Therefore, I would move, Mr. Chairman, that clause 2 be amended so that subsection 2 of section 30 of The Liquor Control Act shall read as follows:

The board may fix the prices at which the various classes, varieties and brands of liquor are to be sold and, except in the case of liquor sold through an outlet designated by the Minister of National Revenue under The Excise Act, Canada, as a duty-free sales outlet, such prices shall be the same at all government stores and other retail outlets.

That will give the Liquor Control Board an opportunity to lower the price of beer right across Ontario, and to reduce the exorbitant profits which the government is granting to the beer companies. Mr. Chairman, questions might yet be asked as to why, in an election year, the minister has given the breweries an additional \$2.5 million over and above the extraordinary profits their balance sheets showed they would have enjoyed even without his increase. The minister might answer that at some point.

Mr. Chairman: Do you want to hand me the written motion?

Mr. Lewis: Yes, I think I can give you the written motion.

Mr. Chairman: Moved by Mr. Lewis that clause 2 of the bill be amended so that

subsection 2 of section 30 of The Liquor Control Act shall read as follows:

The board may fix the prices at which the various classes, varieties, and brands of liquor are to be sold and, except in the case of liquor sold through an outlet designated by the Minister of National Revenue under The Excise Act, Canada, as a duty-free sales outlet, such prices shall be the same at all government stores and other retail outlets.

The motion is before the House. The hon. minister.

Hon. Mr. Yaremko: Mr. Chairman, speaking to the amendment, first of all let me say that I know nothing about the veracity of the figures.

Mr. Lewis: They are right, or I would not use them.

Mr. J. Renwick: You should know because it is the board that sets the prices.

Hon. Mr. Yaremko: The fact that the hon. member uses them has no relationship to their veracity.

Mr. Lewis: Absolutely.

Hon. Mr. Yaremko: Well, that is my position.

Mr. Lewis: I have the photostatic copies in front of me, just as I quote from letters I receive.

Hon. Mr. Yaremko: I make no comment on those figures at all, or their veracity. I say this—

Mr. MacDonald: That is a pretty good dodge.

Hon. Mr. Yaremko: It must be a pretty good system whereby corporations can make such profits.

Mr. Lewis: Right.

Hon. Mr. Yaremko: Taxes can be so high.

Mr. E. W. Martel (Sudbury East): And you help them to make more.

Hon. Mr. Yaremko: And the price of beer still be the lowest in all of Canada.

Mr. J. Renwick: But it is not low enough.

Hon. Mr. Yaremko: That is quite an accomplishment.

Mr. Lewis: But it is not as it should be.

Hon. Mr. Yaremko: Quite an accomplishment.

Mr. J. Renwick: Because this is the heart of the beer industry.

Hon. Mr. Yaremko: Highest profits, high taxes, and the lowest price of beer to the consumer. I stress, the lowest price of beer in Canada to the consumer.

Mr. J. Renwick: But this is the largest population in Canada.

Hon. Mr. Yaremko: That has nothing to do with it.

Mr. J. Renwick: An absolutely ridiculous argument.

Hon. Mr. Yaremko: Now, Mr. Chairman, I want to make this clear to all members of the House. When we were dealing with this section, reviewing the amendment with the old, in order to bring about our own purposes, all that we needed was the insertion of the words—

Mr. J. Renwick: You did not do it that way, that is your problem.

Hon. Mr. Yaremko: Just a moment. With the insertion of the words, "and in the case of liquor sold through an outlet designated by the Minister of National Revenue under The Excise Act, Canada, as a duty-free sales outlet." That is all that is needed, to insert those words.

Mr. Lewis: But as the Chairman pointed out, you chose not to do it.

Hon. Mr. Yaremko: We did not choose it. Legislative counsel insists when there are—

Interjections by hon. members.

Hon. Mr. Yaremko: Let me just finish please, I listened to the hon. member.

Mr. J. Renwick: Are you trying to challenge the Chairman's ruling?

Hon. Mr. Yaremko: Would the hon. member give me the courtesy of—

Mr. J. Renwick: You are challenging the Chairman's ruling.

Hon. Mr. Yaremko: I am not challenging. I find the amendment perfectly in order. Satisfied? I am just saying that the legislative counsel always sees fit, even if you are going to put in a comma, to repeal the section and replace it. I have a different point of view

from the legislative counsel. So far the legislative counsel do it their way.

Mr. Singer: Is that not awful.

Hon. Mr. Yaremko: Now I say this, in discussing this section with the counsel and with the chairman of the board, we felt that if we were to take out the words "except in the case of beer" that it could be interpreted that all prices of beers must be the same.

So if I were to vote for the hon. member's amendment, that is to say I would be saying to the people of the Province of Ontario, we are amending a statute which may have the possibility of preventing you from getting a different price with relationship to brand "A" and brand "B".

Interjections by hon. members.

Hon. Mr. Yaremko: Now, may I say this. I noticed that the hon. member for Oshawa, having been the only member in the NDP who grasped the significance of it—

Mr. MacDonald: Sure he grasped it, but he did not believe it.

Hon. Mr. Yaremko: Now he finds himself in a very difficult position, because his leader—

Mr. Pilkey: I understood what you were saying.

Hon. Mr. Yaremko: —will prevent the possibility that what the hon. member grasped might be the case.

Mr. Martel: You gave the company \$2.5 million more.

Hon. Mr. Yaremko: I refuse to close the door on the possibility of a variance in the price of beer.

Mr. Lewis: You set it out in the budget, for heaven's sakes, \$4.65 across the province.

Mr. J. Renwick: Mr. Chairman, I just have one question.

Mr. Chairman: The hon. member for Downsview was up first.

Mr. Singer: Mr. Chairman, I have the greatest difficulty in following the Provincial Secretary, I really do. Surely, the object of this amendment is that there be the carrying out of the principle announced in the budget, that beer would be the same in the north and in the south. If brand A is 25 cents a case more than brand B, that is fine as long

as that price is the same in the north and the south. And brand A, if you want a premium brand, will be more expensive in the north than it is in the south. For the minister to stand in his place and seriously suggest that he is not responsible for the Act that is before us and the manner in which it is framed, is the height of repudiation of our democratic system. Either he is a responsible minister or he is not, and if he is not prepared to accept responsibility, let him resign. He cannot blame anything on the legislative counsel or on the chairman of the liquor control board. It is his statute and he is responsible for it.

Hon. Mr. Yaremko: And I shall vote for it.

Mr. Singer: And if he does not like the way it is worded, then he should not have accepted whatever draft the parliamentary counsel brought in, and he should not have accepted the advice of the chairman of the board.

Hon. Mr. Yaremko: I shall vote for it.

Mr. Singer: Mr. Chairman, the explanation given by the minister is so puerile that one would think that the minister should perhaps ask for, at least, an adjournment so he can go out and discuss it with his cabinet colleagues and find out from them what he should say. I think the government made a wise move this afternoon when they took a controversial piece of liquor legislation away from the Provincial Secretary and gave it to the Attorney General. At least he accepts some responsibility for some of the things he does. We will come to that a little later.

Hon. A. F. Lawrence: That is not what you said last night.

Mr. Singer: We will come to that a little later, but at least he is not prepared to rely on this kind of hopeless excuse that the Provincial Secretary throws at us. Mr. Chairman, there is no doubt that this is a reasonable and sensible amendment and we, in this party, shall support it. I would hope the minister would see the foolishness of his ways and lend support to it as well.

Mr. J. Renwick: Mr. Chairman, I only have a question of the minister. Is it possible in a brewers' warehouse store across the province of Ontario—which by the way, the minister called a government store, and it really is not a government store—is it really possible, at a Brewers' Retail store—

Hon. Mr. Yaremko: On a point of order, Mr. Chairman—

Mr. J. Renwick: It is included—

Hon. Mr. Yaremko: If the hon. member would read the Act he would find that.

Mr. J. Renwick: Thank you, I do not have to read it now because you have informed me. Is it correct that in every brewers' warehouse store across the province of Ontario all beer is at the same price so far as the participating brewers in the brewers' warehouses are concerned, brand by brand?

Hon. Mr. Yaremko: I think they are. There may be a differential for the so-called premium brands.

Mr. J. Renwick: Yes, I understand that.

Hon. Mr. Yaremko: Otherwise, my understanding is that they are exactly the same right across the province.

Mr. J. Renwick: And at the present time the only variation in price for practical purposes is at the odd brewery retail outlet, rather than at the brewers' warehouse. At a particular brewery, such as Dorans or Formosa—in Formosa you might get it a shade less—but apart from those minor exceptions the price of beer is identical across the province, and therefore the logic of the position taken by the leader of this party is perfectly obvious: that is the board wants to drop the prices in the Province of Ontario, it ought to have the authority to do so and that the minister and the government should support this particular amendment. Does the minister agree with that? The minister nods his head in agreement.

Hon. Mr. Yaremko: Mr. Chairman, you see, the hon. member is confused. The board does fix the prices.

Mr. Singer: I think the minister is confused.

Hon. Mr. Yaremko: And now those prices have to be exactly the same throughout the province. I repeat, I asked counsel and I asked the chairman of the board as to the deletion of—

Mr. Lewis: I am going to ask for the minimum buildings.

Interjections by hon. members.

Hon. Mr. Yaremko: —the words, "except in the case of beer." Now, the statement was

made to me that the removal of those might prevent a variation in the price of the same brand. There is, but in other provinces there is a variance between—

Mr. J. Renwick: But there is not any variance—

Mr. MacDonald: They are inconsequential. We are talking about Ontario.

Mr. J. Renwick: We are talking about right here.

Hon. Mr. Yaremko: Yes, but I am not going to put myself in the position to absolutely close the door on such a possibility.

Mr. MacDonald: Mr. Chairman, it is very difficult to even come to grips—

Mr. J. Renwick: We want a nickel glass of beer.

Mr. MacDonald: in any sense with the minister's argument. He says he refuses to close the door to a reduction in the price of beer. Well, the possibility of a reduction in the price is so minimal it is not worthy of consideration; secondly, if it ever were to occur, it will be very isolated in one little area of the province. The minister himself concedes that very rarely does it exist now; so, in fact, the effect of the amendment is going to be to keep the bill open to increase the price of beer—

An hon. member: Hear, hear!

Mr. MacDonald: —not to lower the price of beer. Now, cut out the put-on. Do not try to kid us or anybody else. I enlist the support of the hon. member for Sarnia on behalf of the working men.

An hon. member: The member wants to follow you.

Mr. Singer: You have got to give up on this one.

Mr. MacDonald: Because the minister is pretending—

Interjections by hon. members.

Mr. MacDonald: —and it is a pretence—it is cellophane-like. You can see right through it—that the minister wants to keep the door open so that you can lower the price of beer. It will never happen.

Interjections by hon. members.

Hon. Mr. Yaremko: Mr. Chairman, I really do not know what the hon. member is now talking about. What I am talking about is a variance in the price of beer. The board has the power to lower it—to fix the price of beer. It can lower prices. It can raise them.

Mr. MacDonald: Right.

Hon. Mr. Yaremko: What we are talking about is closing the door on the variance of brands.

Mr. MacDonald: Yes, that is right, and if the minister had listened to the leader of this party he would have got our main point, that there should be a lowering of the price of beer across the whole province. Do not bring in an irrelevant—

Hon. Mr. Yaremko: And the amendment has nothing to do with that.

Mr. J. Renwick: Yes it does.

Mr. MacDonald: It does have that.

Hon. Mr. Yaremko: Not a thing.

Mr. MacDonald: What we are doing? If I may borrow the minister's phrase, "I refuse to close the door to this possibility" I want to keep that possibility open."

In this election year the minister has come into this House to remove a long-standing injustice, namely, of higher prices in northern Ontario. You eliminate that, and as compensation for eliminating that, you increase the prices where the majority of the people in the province live, namely in the south. And what is the net effect of that increase? By a strange coincidence, on the eve of an election, while, the Tory bag men are out looking for money, you put \$2.5 million more into the pockets of the breweries. Or at least in the past, the minister had the common decency to raise the price after the election. This year he raised the price in advance of the election to assist your bagmen.

Surely, this is obvious to everybody. Oh, yes, our very experienced politician over here, the hon. member for Grey South (Mr. Winkler), he knows.

An hon. member: Yes, he knows.

Mr. MacDonald: He smiles knowingly. This is precisely what has happened and do not think that we have not noticed what has happened. What we want is to have an amendment which will make it possible for a reduction, across the board, of the price

of beer. We are not going to be confused by any plea on the part of the minister to keep the door open for the very remote and isolated occasion when there might be a reduction in the price of beer.

Hon. E. A. Winkler (Minister of Revenue): The member is quite wrong.

Mr. Pilkey: We want a return of the five-cent beer, like the five-cent hotdog.

Hon. Mr. Yaremko: Mr. Chairman, if the hon. member for York South interprets his leader's amendment as being that, that is the greatest attempt at a flim-flam I have ever seen.

Mr. MacDonald: You ought to know because you are flim-flamming at the moment.

Hon. Mr. Yaremko: The amendment proposed by the leader of the NDP has nothing to do—

Mr. Lewis: You are just flotsam and jetsam. That is what you are.

Hon. Mr. Yaremko: —it has nothing to do with the lowering of the price of beer.

Mr. Lewis: It has everything to do with lowering the prices.

Mr. Pilkey: If the member for St. George had been Premier, this bill would never have got through.

Hon. A. F. Lawrence: That is a hugger mugger approach.

Mr. Singer: The member for St. George would have had a commission of inquiry.

Mr. Lewis: The working man's pavlovian reflex on the back benches over here is waiting to speak.

Mr. Bullbrook: I will delegate you.

Mr. Lewis: Well thank you. I have delegated authority. Mr. Chairman, let it be understood that the whole purpose of this amendment to give the Liquor Control Board the right to set the standard price across Ontario without variation north and south is to give them, in law, the right to lower the prices.

Hon. Mr. Yaremko: They have that right now.

Mr. Lewis: They will not exercise the right as this section now stands, because the

section is at variance with your own budget, and we are giving them that right—

Hon. Mr. Yaremko: No.

Mr. MacDonald: It is. How boneheaded can you be?

Mr. Lewis: In this amendment, and we are calling for a lowering of prices right across the province, based on the additional revenue which you have given the breweries, and on the precise specifics which we have now put on the record of one of the major corporations engaged in brewing. It is really quite unbelievable that the government will not concede.

Mr. Chairman, we are prepared to conclude that governments seldom stand or fall on the price of beer, but we can feel sufficiently strongly about the profits which you are giving to your brewing friends. It would indeed be interesting, Mr. Chairman, were the government willing to open its books on campaign contributions—either those given to the Conservative Party in 1961, or to the Conservative Party in 1971, or perhaps to any of the leadership contestants—to open the books and see whether the breweries in the Province of Ontario have ever contributed, or are presently contributing to the coffers of the Conservative Party.

I do not particularly consider it heinous were they to do so. It would, however, be interesting, in the public interest, to have the books opened. Without those books being opened, without justification from the minister, we have moved this amendment, and we have given the evidence. We think, Mr. Chairman, that we should divide the House on it, albeit a 10-minute bell or less, should ring because obviously members can be summoned within a short period of time, and we could then get on with the AG's estimates.

Mr. Chairman: We are dealing with Bill 72, An Act to amend The Liquor Control Act, section 2 of the bill. The question before the committee is a motion by Mr. Lewis that clause 2 be amended so that subsection 2 of section 30 of The Liquor Control Act shall read as follows:

"The board may fix the prices at which the various classes, varieties and brands of liquor are to be sold and except in the case of liquor sold through an outlet designated by the Minister of National Revenue under the Excise Act of Canada as a duty free sales outlet, such prices shall be the same at all government stores and other retail outlets."

The committee divided on Mr. Lewis's motion which was negatived on the following vote:

Clerk of the House: Mr. Chairman, the "ayes" are 39, the "nays" 53.

Mr. Chairman: I declare the motion lost. Section 2 agreed to.

Mr. Chairman: Are there any questions, comments or amendments to any other section of this bill? If not, shall the bill be reported?

Bill 72 reported.

Hon. A. F. Lawrence moves that the committee rise and report.

Motion agreed to.

The House resumed, Mr. Speaker in the chair.

Mr. Chairman: Mr. Speaker, the Committee of the Whole House begs to report certain bills without amendment and asks for leave to sit again.

Report agreed to.

Clerk of the House: The 42nd order, House in committee of supply; Mr. R. D. Rowe in the chair.

ESTIMATES, DEPARTMENT OF JUSTICE (continued)

Mr. Chairman: Estimates of the Department of Justice. I believe the hon. member for Downsview was speaking last.

Mr. V. M. Singer (Downsview): Right!

Mr. Chairman, as the adjournment hour approached last evening I was expressing the opinion that I was at considerable variance with the Attorney General (Mr. A. F. Lawrence) in his approach to matters concerning this Legislature and concerning the people of Ontario.

I expressed the opinion, Mr. Chairman, which I repeat again, that I do not think the Attorney General basically understands the function of his job. There is a right to know that belongs not to the Attorney General, not to his colleagues on the Cabinet benches, but to all of the people of Ontario, and the Attorney General refuses to recognize this.

I think the explanation is both arrogance and ignorance; both arrogance and ignorance. Having obtained that magnificent collection of votes that night of the long ballot, I guess

he came to the conclusion that he must have a special mission to carry out and that the mantle that descended upon him, or nearly descended upon him, that goes with being part of the divine right of Attorneys General, or divine right of Tories in Ontario, and that he can only tell us as much as he wants to and as much as will be good for us, and for goodness sake not enough to let the boat be rocked. So he carries on in his unusual way and I suggest undemocratically, out of arrogance, because he does not want to tell us any more than is good for us, and secondly out of ignorance, because I do not think he is as sure of himself at all as he would like to pretend to be. He hides his ignorance with his great smile. He has become much more personable since he moved to the front bench. He has not given vent to those great displays of temper he used to show us when he sat a little further back, and by being affable he thinks he is going to conceal his ignorance.

Well, I do not think that has fooled very many of us either, Mr. Chairman. As I said last night I think there are five Attorneys General whom I have watched very closely in this House and this one, I think, knows the least of all of them. I think he does; I think he knows the least of all of them.

Mr. S. Lewis (Scarborough West): If it will make the minister feel better, the one thing he is not is ignorant.

Hon. A. F. Lawrence (Minister of Justice): I think, thanks!

Mr. Lewis: there are many other adjectives to describe you but ignorance is not one of them.

Mr. Singer: Well, I thank the member for Scarborough West for interpreting my remarks—

Mr. Lewis: Oh no, no.

Mr. Singer: —but I think I can interpret them myself.

Mr. Lewis: I am sure you can.

Mr. Singer: If you will just let me finish, I will get on to what my version of the Attorney General is and if he has a different version let him give that version.

Mr. Lewis: I do it on the hustings. It is unanswerable there.

Mr. Singer: Is the member for Scarborough West through? Can I continue? Thank you very much.

To elaborate on the point I was making—

Hon. A. F. Lawrence: What is the point again?

Mr. Singer: Oh well, if you want I will start over again. I have the Hansard copy here. I could read it through.

Mr. J. Renwick (Riverdale): Why do you not sit down and collect your thoughts and I will go ahead? How would that be?

Mr. T. P. Reid (Rainy River): You do not have any thoughts to go ahead with.

Mr. Singer: The next point, Mr. Chairman, that I want to make was dealing with the whole approach that I thought that people like the member for Sudbury and myself had reasonably well established in this House, and that is, or apparently was, that the Attorney General shall be all of the law.

This no longer seems to happen. We went through the rather unusual and fascinating procedure of looking at a bill to amend The Farm Products Marketing Act and the Attorney General's colleague, the Minister of Agriculture (Mr. Stewart), made it abundantly clear that he had no use for the lawyers in his department and he had no use for the law officers of the Crown, and that he had not sought an opinion of the law officers of the Crown about that bill, and that he knew it was all right and he gave us his own interpretations of what was going on in the courts of Quebec, in the courts in Manitoba, and why bother to get any opinions. It was only after a very substantial howl went up that eventually the opinions of the law officers of the Crown in this province were sought. It is a pity they were not sought in advance because we might not have seen the bill in that form, or, in any event, if we did see the bill in the form in which the Minister of Agriculture chose to introduce it and chose to ram it through the House, at least it might have been backed up with the opinion of the law officers of the Crown as to its validity. However, that did not happen.

And so the Minister of Agriculture got himself into one of his difficult spots, and the Supreme Court of Canada has proved again that he was wrong. I think it is time, if the Attorney General has any voice in the cabinet, that he begin to put it forward in a voice that can be heard. Perhaps it was heard about the Spadina Expressway. I gather that he made his voice heard there. But insofar as matters legal, I must come to the conclusion, Mr. Chairman, that his voice is not heard at all.

Certainly he was not able to influence the Minister of Agriculture before he brought his bill in. Then the Attorney General, just the other day, was telling us how wonderful a government he was part of because they had implemented 569 out of 581 of Mr. McRuer's recommendations, or whatever the figures were.

At the same time as these great statements were being made, along comes his other colleague, the Minister—what is he called now—the Minister of the Environment—not yet—well, the about-to-be Minister of the Environment (Mr. Kerr). He brought in a bill that gives him all sorts of powers by regulation.

I wonder if any one in the Attorney General's office had bothered to read McRuer, had bothered to read his very strongly made point about the fact that the law should be found in the statutes and/or in the regulations, but that the law should not be spelled out in such vagaries in the statutes that it left almost complete and absolute authority to persons other than the members of the Legislature.

Now, that is the kind of bill that has come through with this Attorney General in office. And with this Attorney General and his colleagues saying: "We certainly worship at the feet of McRuer. Whatever McRuer says is right," they bring in statutes like the one brought in by the soon-to-be Minister of the Environment.

Well, all of the powers that are going to be there are not brought before this Legislature, are going to be exercised in due course, and in private, and without debate, and perhaps arbitrarily and perhaps unfairly, within the confines of secret cabinet caucus. I say again, Mr. Chairman, that is an abnegation of one of the very important principles, perhaps the foremost principle, that McRuer laid down in his lengthy report.

Why does he discard this sort of thing? Is his voice not heard in the cabinet council? Or does he not pay attention to what his other colleagues are doing? Did he look at that bill? Did he have any opinion on the bill? If he did, and if he believes that the McRuer ideas were good ones—and you are the chief law officer, or are you?—then the bill should not have come forward in the form in which it did come forward. At least the Legislature should have had the opportunity to see what the minister had in mind. And that should have been spelled out in the statute.

Well, again I wonder about the role that this minister plays. As late as this afternoon, he has taken over apparently the liquor control function from his estimable colleague, the Provincial Secretary (Mr. Yaremko), and he brings in a bill to deal with detoxication centres. It is a good bill in essence, in principle. I think the first speech I made here 12 years ago talked about the establishment of detoxication centres, talked about the foolishness that we continue to participate in in this province by bringing these chronic alcoholics before the court and sentencing them to \$10 or 10 days and parading them through the courts of Metropolitan Toronto every Monday morning.

Well, the government moves very slowly, but in their eagerness to get the bill before the House I would draw the Attorney General's attention—and we will deal with this on second reading and in Committee of the Whole—to subsection 4 of the new section 106(a), which is part of section 1 of the Act where, in providing for some exculpatory provisions for those charged with enforcing this statute, they have swept such a wide swath that they have, in fact, excluded doctors and hospitals from the natural results of their own negligence, if any such exists. One would have thought, Mr. Chairman, with a similar clause in The Metropolitan Toronto Act where there was a similar exculpatory provision and it was so widely drawn that it would have excluded any negligence which caused damage on the part of any municipal person. Well, fortunately, whoever was responsible for that Act—and I think it was done in the committee—saw the error of his ways and that was amended. Here we have it again.

So, I ask the Attorney General in all seriousness: does anybody bother on behalf of the chief law officer of the Crown, to look at the statutes that come before us and to make sure that while they are apparently attempting to do new things and sometimes good things, that some of the consequences that flow from some of the provisions in these statutes are not so widely drawn that in fact they could cause real damage to persons who might suffer from other people's negligence?

Has the Attorney General, along the same theme for instance, looked at the great difficulties that occur when one tries to sue either doctors or hospitals for negligence? This is the sort of thing that should have occurred to him when he looked at that paragraph in this bill that he introduced this afternoon.

Has he sat down and consulted about these matters with the Minister of Health (Mr. A. B. R. Lawrence) or is everything so compartmentalized over there that the Attorney General pays no heed to this matter? This is the sort of thing that makes me wonder about the Attorney General's knowledge of the law.

This is why I say it is not only arrogance, but it is also ignorance. I do not think the Attorney General knows any better. I do not think he looks for these things. I do not think he spots them and that is why, in fact, we see this kind of provision come before us. Does the Attorney General not care, for instance, about the debate that is presently raging in the council of the city of Toronto, about the conflict of interest alleged insofar as it relates to a certain alderman down there? Has he no concern at all about the fact that the provisions in The Municipal Act are so vague and so loosely drawn that they are almost in fact meaningless, that there are no penal provisions attached to them? One would have thought, Mr. Chairman, that notwithstanding on the surface this is a responsibility of the Minister of Municipal Affairs (Mr. Bales) that the chief law officer of the Crown would have shown some concern about the inadequate provisions of our Municipal Act insofar as they relate to conflict of interest and the penalties that might or might not attach. But not a word out of the Attorney General. Not a word out of him because his field of knowledge is so confined and so lacking that he is afraid to venture into these other fields.

Again, Mr. Chairman, I wonder seriously about some of the things he has in fact embarked upon. One of them was the topic we were discussing today—in the question period and at some length—in relation to this man Shatford. And the Attorney General just did a dance all around the subject, all around it, in order to avoid any positive statement. He has become a master at that in any event—and that is why I quarrelled with the comment of the member for Scarborough West.

I did not call him an ignoramus. I say he is ignorant of the law. Ignorant he is not. He is a pretty astute political dancer, but surely the time comes, Mr. Chairman, when one faces this kind of a problem head on, and surely the least the Attorney General could have said today was: "Yes, I will investigate, and yes, if the evidence that comes to us as a result of our investigation

is sufficient, I, or my officials, will make representations; the proper representations, to the Minister of Justice under section 596 of The Criminal Code."

Now, that is your duty and that is your responsibility. The whole false trail that you tried to lay about the appropriateness of identification procedures in police lineups, or the exact responsibility of the Minister of Justice in Ottawa, or whether The BNA Act says that the federal government is responsible for criminal law—and we all know it does say that—are just irrelevant factors.

This man, Mr. Chairman, is charged with the responsibility of the administration of justice. He is not the enforcer, as he called himself—

Hon. A. F. Lawrence: No, I never did.

Mr. Singer: Yes, you did. It was in the paper, and when we challenged you with it, you said it was an informal meeting and you were surprised that it got in the paper.

Hon. A. F. Lawrence: No, I never said that.

Mr. Singer: He is not the enforcer, he is the administrator, and it is the duty of the chief law officer of the Crown who is charged with administering justice in the Province of Ontario to see that justice is done. When a prima facie case has been made, as I suggest has been done here, then he has a duty and a responsibility to investigate the various allegations as fully as possible. Then if there is a reasonable conclusion that comes from the reports of those investigations—that, in fact, there has been an injustice—then he has the duty and responsibility not to wait for the initiative to be taken either by the lawyer of the man who might be in jail or by the man who might be in jail. He, the Attorney General, has the responsibility to make those representations under section 596 of the Canadian Criminal Code, and any other answer, Mr. Chairman, is completely inadequate and ignorant.

Mr. Chairman, the point is this. He knows—we all know—that the facilities in Ottawa for this kind of investigation, other than the control of the RCMP, are almost non-existent, and surely he would be amongst the first to stand up and rant and rage about those terrible fellows in Ottawa if they sent RCMP officers in here to investigate what Ontario policemen had, in fact, done. He would be amongst the first to say that should

not be done. He knows in addition that he has at his beck and call the Ontario Provincial Police.

He should know by now, even though he said shortly after he appeared in this House he was not sure who controlled the police, that he controls the police forces in the name of this Legislature, and in the name of the people of Ontario, and he has at his beck and call all of the police forces, and can instruct them through his various administrative arms as to how they should carry on their business. He knows as well that he can launch this type of investigation.

He has again at his beck and call the services of all of the law officers, the services of the Crown attorneys. He has, in fact, the control of all of the machinery of justice that exists in the Province of Ontario. Now, who else can adequately do that kind of an investigation? Only the Attorney General of Ontario, and anything less than a clear and blunt statement that this is what he would undertake, and then as a result of the—

Hon. A. F. Lawrence: I said that.

Mr. Singer: No, you did not say that, and you know you did not say that. You have danced in circles around it for two and a half or three days and you never once showed that you had the situation in hand, that you grasped the problem, that you had any understanding of what your responsibility is. So I am telling the Attorney General, Mr. Chairman, through you, that his responsibility is obvious. He has a duty to investigate, and if his investigation shows any doubt, then it is his responsibility, no matter what anyone else may do, to take that information to the Minister of Justice in Canada and say: "Okay, exercise your jurisdiction under 596."

At that point, it becomes the responsibility of the federal Minister of Justice. Well, all right. Finally then we have got the Attorney General around to this point. Well, that is just great. I do not know why it had to take some 2½ days to get down to this point at all.

Mr. Chairman, the Attorney General likes to cast himself in the role of the great innovator. What have his innovations been? What new or different piece of legislation that really is a creature of his own work has he introduced since he has arrived? Not a thing. The substantial legislation that he brought in related to the implementation of a number of McRuer recommendations, the work on which had substantially been done by his

predecessor. So the Attorney General brought in that legislation as a caretaker.

Perhaps he will point with some pride to the bill he brought in this afternoon, dethroning the Provincial Secretary and setting up detoxication centres. If this was a new idea perhaps he would deserve some very substantial credit. But I would think, Mr. Chairman, if my memory serves me right, the first speech I made in this Legislature some 12 years ago made that point; suggested that there had to be detoxication centres; and this great discovery by the Attorney General really does not deserve the great rounds of applause that some of his backbenchers have apparently been trying to attribute to him today. Why did we have to wait so long? And why did the Attorney General and his predecessors take so long to discover it?

Then, Mr. Chairman, we have had tabled in the Legislature a great series of reports of the Law Reform Commission. The thickest one was the report relating to Sunday law observance. I think the Attorney General's most incisive comment in relation to that was: "It was a big report. It was a long report. It was complicated. There were all sorts of views arising out of the recommendations and it would take some very substantial time to consider what, if anything, should be done about it."

That certainly is the sign of a brave and adventurous Attorney General, someone who really grasps the problems and is decisive and comes forward with new laws, new ideas, for the betterment of all the people of Ontario. As if that was not bad enough, Mr. Chairman—

Hon. A. F. Lawrence: I am going to hire the member as a speech writer.

Mr. Singer: —he consents to the prosecution of some poor fellow here in Toronto who runs an auction sale on a Sunday. A terrible offence!

Hon. A. F. Lawrence: Actually it was in Scarborough.

Mr. Singer: Yes, well, Metropolitan Toronto. A terrible, terrible thing! And this poor guy, I do not know how long this fellow had to wait before he was eventually tried—

Hon. A. F. Lawrence: Actually, I did not. The member has his facts wrong again. It was not me.

Mr. Singer: —or what the extent of his legal expenses were. I think he was fined \$50. The

issues of his trial and his conviction by themselves are not very serious, but the important issue is that while the Attorney General puts his fiat on the complaint against this horrible lawbreaker, his colleague—I have forgotten which one it is; the Minister of Tourism (Mr. Guindon)—puts out a booklet and says: "If you have nothing to do on a Sunday, go to hither and yon, and over there, and visit some auction sales, because that is the sort of thing that people like to do in the Province of Ontario."

Now, somewhere along the line—

Hon. A. F. Lawrence: The member is sure it was me?

Mr. Singer: —Mr. Chairman, one would think that there might be a little consistency in the approach of government to problems of this sort. If it was a very serious thing that is going to bring about the ruination of the people of the Province of Ontario to be able to go to an auction sale on Sunday in Metropolitan Toronto, it must be equally serious to be able to go to one, where was it, in Aberfoyle? Was that one of the places, somewhere a little out yonder? And surely, Mr. Chairman, one could reasonably expect that the same kind of law would apply in those other places that the Minister of Tourism writes about in his book, as applies in Metropolitan Toronto.

Is this the Attorney General's new approach, that the law is as long as his foot? This is one of the things I thought we got away from, the saying that "the law was as long as the chancellor's foot." That was one of the terrible things that we used to complain about in our courses in legal history; and how progressive we lawyers were, we lawmakers were going to be. We were going to have laws that were equal and fair in their application.

But not this Attorney General, Mr. Chairman. Not this Attorney General. He has a long report that is complicated. He is studying it again, and sometime soon he is going to bring in an opinion about it. I do not know how soon "soon" is, but sometime he is going to bring it in. In the meantime, he continues to make sure that its recommendations are not implemented and that the present law is unfairly and inequitably applied.

I do not know if he follows the newspapers at all, but I have taken some interest in seeing some of the ads that have been published in the papers about Sunday openings. There was a large store downtown. I think it was open last Sunday, one of the biggest stores

—not Eatons or Simpsons, another one. They had a great Sunday sale. It was 100-and-some-odd Yonge Street, just last Sunday. Where was the minister? This was a terrible thing in accordance with his previous decisions.

Interjection by an hon. member.

Mr. Singer: Why has the minister not insisted that these terrible people be prosecuted? I know, he gets up and he says, "It depends on the local situation—the mood of the locality."

Does he really believe that anyone in Metropolitan Toronto was awfully concerned about that terrible auction sale, or that the same people who were not concerned about that terrible auction sale would not have been equally concerned about that terrible department store that had this mammoth sale on Sunday in Toronto, just a few days ago?

Where, Mr. Chairman, is the kind of imagination that the Attorney General should be bringing to this job?

And, Mr. Chairman, I wanted to talk for a moment or two about the very unfortunate circumstances that flowed from the investigation into the OPP. What happened was, after certain discussions here in the Legislature, the government, in its wisdom, decided to have a royal commission or a judicial inquiry. A judge of the Supreme Court was appointed and he brought down his report. While he was bringing down the report, two of the senior officers of the OPP had been charged. The dealing with those charges had been postponed, pending the hearing of the evidence by the commissioner. The commissioner found that these two senior officers had committed offences and the charges were then scheduled to proceed.

Somewhere along the line, the government inserted itself into the middle and substituted, as the hearing officer, not the head of the police force concerned, which was probably appropriate in the circumstances, but substituted a county court judge. In due course, the county court judge heard the charges and came to the conclusion that really what these two senior officers had done in failing to carry out the commands of their senior officer was not very serious.

As I read the regulations under The Police Act, he punished them by the method in which he could, in fact, inflict the least punishment. The punishments—unless I have a statute that is outdated—seem to rate in seri-

ousness from dismissal, down through the requirement to resign with a reduction in rank, to the forfeiture of pay, to the forfeiture of leave or days off not exceeding 20 days, or a reprimand, which may be imposed in lieu of, or in addition to, any other punishment imposed. Six punishments are set out. The fifth one and the fifth in the descending order of seriousness is the forfeiture of leave or days off not exceeding 20, which, in fact, as I understand it, was the punishment that his Honour, Judge Steen imposed.

So Judge Steen did not think, really, that what those two senior officers had done was very serious. In fact, what happened to these two senior officers, was that they had a year's leave with pay. They had to undergo a few days of trial and when Judge Steen, in his wisdom, came to the conclusion that they were only guilty of one of the charges brought against them and he gave them a very, very minor punishment.

Again, Mr. Chairman, as I understand the provisions of The Police Act, an appeal could now lie to the Ontario Police Commission because I do not think you disturb the order of appeal jurisdiction by inserting the judge in the middle. The appeal still can go on. The judge was acting in lieu of the head of the local police force, in this case, Mr. Silk, and theoretically in any event an appeal could go to the Ontario Police Commission.

I pointed that out last April when I was speaking in the Throne debate and I would have thought that if my conclusions were wrong at that time someone would have bothered to correct me. I think they are still right. I think, theoretically in any event, that an appeal now lies to the Ontario Police Commission. But can anyone imagine, Mr. Chairman, anything more ludicrous than taking an appeal from the decision of His Honour Judge Steen to the Ontario Police Commission and having them sit in judgement on the decision of His Honour Judge Steen?

Be that as it may, what has in fact happened? By reason of this unusual and unfortunate procedure, I would suggest that almost at one fell swoop the government has perpetrated the most serious concern about discipline throughout the Ontario Provincial Police and throughout all of the forces of the Province of Ontario. I would think that when constables who are subject, theoretically, to the same rules and regulations and who have been tried and dealt with under the various offences listed here and who have received

much more serious punishment—many of them have been dismissed from the force; the Attorney General, I know, has these statistics—when they see what happened in fact to these two senior police officers who brought discredit on the Ontario Provincial Police force, their concern about the equity and governing of police matters must be very great indeed.

I would suggest, Mr. Chairman, that the day is still with us when the Attorney General, if he is prepared to exercise any courage, can rectify this situation. I would think that he has to bring some sort of order to the chaos that presently exists because certainly insofar as the number of disciplinary matters that have to be dealt with relate to this broad problem insofar as police forces are concerned, it must be obvious even to the most casual observer that constables seem to suffer—the lower ranks seem to suffer—very much more serious punishment than was, in fact, given to these two senior officers who did very little good for the Ontario Provincial Police force.

I would hope when the Attorney General comes to respond a little later on, perhaps this evening, to these remarks, that he will have some answer or will express something more than just a few words which he expressed in the House the other day. We want some decisiveness; we can expect surely—we should be able to expect surely—from the Attorney General of the Province of Ontario some leadership which would express a feeling that the law should be administered equitably, even among policemen.

Mr. Chairman, I want to deal with another rather peculiar matter that relates to the question of rock festivals. Somewhere along the line—I am sorry the member Dufferin-Simcoe is not here because he is concerned about this—about a year ago the government became concerned with the activities of a group called Orange Productions Limited, which wanted to carry on a rock festival in the township of Mulmur, in the county of Dufferin, on Saturday and Sunday, September 5 and 6, 1970. His Honour the Lieutenant-Governor-in-Council did, on August 27, 1970, issue order-in-council No. 2657 of that year, which apparently in accordance—and I use the word “apparently” advisedly—with various sections of The Police Act, particularly subsection 3 of section 2, required Orange Productions Limited to enter into an agreement with the Attorney General of Ontario to bind themselves to pay the sum of \$87,856.70 in the lawful money of Canada

to the government on or before September 1, 1970.

Fascinatingly, the gentleman responsible for Orange Productions Limited told the Attorney General to go and jump in the lake. They refused to sign the agreement, they carried on with their festival, and nothing more was heard about this matter until it occurred to me on May 7 to ask—no, it was a few days earlier than May 7—it occurred to me to ask the Attorney General what had ever happened to Orange Productions Limited and were they going to get away with not having to pay the \$87,856.70. The Attorney General took the question as notice and on May 7 he answered me. I think his remarks are interesting enough; they could be repeated yet once again:

Mr. Speaker, I took the question as notice. I have now had an opportunity to review the matter and it is certainly true that the company refused to enter into the agreement that was required by the designation and the order-in-council. Therefore, as a result of that we feel that we have a cause of action for costs in an amount that would be decided by the court. We are now considering the institution of such an action but I must bear in mind, of course, all of the equities of the situation, including the possibility that the judgement might not be recoverable if the defendant was not able to pay it.

Mr. Chairman, that was on May 7 of this year, some nine months after the date of the first order-in-council. Then, a little bit later, the Attorney General or his advisers decided they were going to sue Orange Productions Limited, and on June 30 they issued a writ out of the Supreme Court of Ontario—a specially endorsed writ, if you will, Mr. Chairman—claiming the sum of \$106,102.05 against the same Orange Productions Limited.

The writ was served on June 24, 1971. I do not know what kind of action Orange Productions Limited is going to take or what additional information came to the Attorney General between May 7 and June 3, the date on which the writ was issued, which led him to believe it was now worthwhile to pursue these people, one year after the event. But begin to pursue them he did, and he began to pursue them in this most unusual way, as I say, of issuing a specially endorsed writ.

How this occurred to his officials or to himself I do not know. I look at rule 33 of the rules of court, and there is just no way in which this special endorsement can be valid, at least in my opinion. It is not for a liquidated amount. It is not even for the amount of \$87,000 that the Attorney General required in 1970; now he is asking for \$106,000. And how are these details made

up? Is there so much for superintendent, so much for staff superintendents, so much for motorcycles and so much for mechanics? Surely, Mr. Chairman, he must have somebody over there who has some knowledge of the practice of law, who must have told him that this special endorsement of a writ was a most peculiar and unusual and probably improper way to proceed.

So what has happened? We have a writ issued against Orange Productions Limited, who have effectively, for over a year, thumbed their nose at the government of Ontario. Well, along comes 1971 and Orange Productions Limited, unbeknownst, I am sure, to the Attorney General or his investigators or advisors, still around, still in business, plan to hold another rock festival. This time I think they give it a slightly different title. They call it the Rockhill Youth Camp-In.

The member for Dufferin-Simcoe (Mr. Downer) is disturbed about the possibility of this going on in the same manner as it did the year before, but the Attorney General is able to say, "Oh, do not worry, we have passed another order-in-council" and sure enough, there it was: order-in-council No. 1913/71, almost word for word the same as the ineffective order-in-council of a year ago.

And here they are, almost word for word, with just the dates changed, and fascinatingly enough, at least in the copy I have, they did not put in an amount that they were requiring. It may be in an original document but the copy leaves the amount blank.

Well, what greater success, Mr. Chairman, what greater success does the Attorney General and/or his advisers expect they are going to have against Orange Productions Limited in the year 1971, than they did have in the year 1970, because again, as I read the press, the people behind this great effort are again thumbing their noses at the Attorney General. What is the approach of the government to rock festivals? Is the approach that that was set out by L. R. Gartner who is a superintendent of the Ontario Provincial Police, certainly a very senior official? He was quoted in the Toronto Daily Star of May 15, 1971 as having said this, and I find this quite fascinating because here is certainly one of the most senior police officers that I have been able to pin down so far, expressing an opinion about rock festivals. This was his opinion and I would like to know if in fact it is the Attorney General's opinion.

Police kept the peace at a rock festival last summer by simply staying away—

He is the chief superintendent of the Ontario Provincial Police.

—the chief superintendent said yesterday. L. R. Gartner told new coroners taking the course at the Westbury Hotel that when police patrolled the Rockhill festival—

That is the one I was telling you about on Saturday.

—near Shelburne, it almost turned into a riot. The Strawberry Fields festival at Mosport was peaceful—

And this is in quotes:

—"mainly because the police were not there except under cover." He showed the coroners films taken by the undercover men at Mosport.

Apparently they are very interesting films, but Gartner's advice was that the best way to look after rock festivals is to stay away.

Well, what is the government's opinion about rock festivals? You are surely not going to rely on these most tenuous provisions of The Police Act which at least in my opinion have no application here at all. I do not think your orders in council are worth the paper they are written on, and you did not think so either because it took you a year to get into action and issue this specially endorsed writ claiming \$108,000. Now you issue a second order-in-council. Then you have a chief superintendent of the OPP saying the best thing to do is stay away. Have you got a policy about rock festivals or have you not? Are you going to do anything about them or are you not? Is Gartner right? Or are you going to keep on issuing meaningless orders in council? Or are you going to continue to govern by issuing writs? That is a new technique, Mr. Chairman, that the government has embarked upon.

I think it was in 1963 that they put out a sort of checkerboard thing and certainly the member for London North was very proud of it and it helped him win that election. He used to make speeches about—it does not really matter what the problem is—elimination of crime. There was a little square, tick mark, done. Removal of pollution: square, tick mark, done. I can well remember Medicare: little square, tick mark, done. All the way down the list. The member for London North (Mr. Robarts) thought this was the greatest thing they had ever invented.

Well the member for St. George has new gimmick. He issues writs. If there is a problem, issue a writ, then it is done. If Dow is polluting, we will use them for \$35 mil-

lion; end of problem, done. If there is a problem with rock festivals, issue writ—\$108,000. Done!

I am certain that the Minister of the Environment is presently puzzling how big a figure he can come out with to sue Cleveland for, because its sewage is overflowing into Lake Erie. Why not choose \$200 million? It is a nice round figure. The Crown does not even have to pay the \$35. I made a mistake when I was commenting on that. The Crown does not have to pay to issue a writ; so end of pollution in Lake Erie. We are suing Cleveland. We have issued a writ. Done!

In fact, I think, Mr. Chairman, the new technique has gone to the extent where the Attorney General phones up his good friend, the Provincial Auditor and says, "I have got good news for you, Mr. Auditor. We have found some more money, so that when you are putting out your next statement of accounts, just show in accounts receivable, from Dow, \$35 million, from Orange Productions, \$108,000; from the city of Cleveland, \$200 million, and so on."

Mr. Chairman, the thing is so phoney and so obvious that one wonders why a man who is supposed to be as intelligent as the Attorney General would stoop to these depths in order apparently to park these problems under the rug. The Dow case just is not going to hold water. He knows that. We all know that. It is a phoney and useless gesture, as is the Orange productions one.

Why does the government not get around to writing some laws that people can read and understand? If their laws are broken, then deal with people who break existing laws. One just does not apparently try to drag them out of the air and say, "We are going to issue a writ and then the problem is going to go away." Government by writ issued in the court is no excuse for government for the people of Ontario. That, in fact, Mr. Chairman, is what this government is attempting to get away with. I do not think they are really fooling anybody.

I wonder very seriously if this Attorney General has any real philosophy of his approach to the questions of law and the reform of law, the administration of justice, in the Province of Ontario. How long are we going to have to wait for year-round courts, for instance? We submitted, in my name, and on behalf of the Liberal Party, to the Law Reform—we cannot do anything apparently without the Law Reform Commission—I think a pretty carefully worked out

brief to the Law Reform Commission. I am not going to read the whole thing. The Attorney General is shuddering a bit, but there are some 77 points set out in it, suggesting a variety of law reform.

I daresay that over the next few years, if we are there, or over the next many, many years, as long as 12 years in some cases as we do with these drying-out centres for the chronic alcoholic, we are going to see many of these things come about. But I wonder why the Attorney General has never bothered, since his ascension to this high post, to lay out some kind of a philosophy. What does he believe in? He just gets so bound up in the day-to-day administration and in the footwork that he tries to play here in the House that, if he has any philosophy, it does not seem to emerge at all.

The problem continues and it multiplies and it gets worse. We have not heard from him about improvement of the office of the official guardian or office of the public trustee. Surely, in this day and age, the time has arrived when these public officials should have a duty to intervene in matters affecting citizens of Ontario when it appears that an injustice is being done. But still these problems continue. We have not heard from him about the training of judges. We have not heard from him about courses that will be made available to the various judicial officials. We did hear a little bit—no, we have not—we have not heard any real plan or programme insofar as it relates to the amending of the registry office system, the system of dealing with titles. He has just tabled another report. He comes in here with reports every few days. I commend the industry of the Law Reform Commission, but what good is the Law Reform Commission and their various reports if we never see their recommendations reflected in legislation?

What about their recommendation about the age of majority? Are we ever going to see that? Or can you not start breaking these things down? Are we going to be allowed to have 18-year-olds vote in the Province of Ontario? Are we going to be allowed to have 18-year-olds legally drinking in Ontario? They are drinking illegally now and the police chiefs tell you that. Or are we just going to get more and more speeches from the Attorney General, such as the speech that he made, Mr. Chairman, on June 22, 1971, to the Association of Ontario Chiefs of Police. This took place at the Holiday Inn in Hamilton on that day.

He talks about police commissions, and throughout this whole speech—his notes run some seven pages—there is not one new or novel idea in it. He talks about the police commissioners, and surely he has heard enough about that from my colleagues and I and from McRuer and everyone else who has studied this matter to recognize that the time has come that we should take judges off police commissions.

And what does the Attorney General say? He says the judge brings objectivity and independence. What kind of nonsense is that? The very criticism that is levied against those police commissions is that the judge is too close to the police forces that he has to look after to bring the objectivity and independence that he should exercise. No thoughts at all.

Well, Mr. Chairman, I think I have come to the conclusion of the remarks I intend to make at this point. I will have many more remarks to make as these estimates go on from vote to vote. I would hope that if we can achieve nothing more from these the first, and probably the last estimates of the present Attorney General, that he could at least let us into his mind and his thinking and tell us if he has any philosophy about the law.

Those of us who have been here for a few years have come to regard the whole problem of the administration of justice, and the role of the Attorney General, as probably the most important portfolio that exists in the government of Ontario. We thought that the member for Sault Ste. Marie (Mr. Wishart) was at least amenable and bending and understanding. But there has not even been a glimmer of hope since this hon. gentleman has assumed the office. The hour is not yet over and perhaps there is still a chance. But let us hear now, when he is on his estimates, what he thinks about these things, and let us hope, for goodness sake, Mr. Chairman, that he has some thoughts.

Mr. Chairman: The member for Riverdale.

Mr. J. Renwick: Mr. Chairman, in my remarks on behalf of this party in opening the debate on the estimates of the Minister of Justice and Attorney General, I want to constrain my remarks in the opening comments to one particular problem in Canada, and one, which in my judgement, is fundamental and basic to all others.

As we now know, there has been little, if any, comment about the Victoria charter since the rejection of that charter by the

Province of Quebec. My remarks are not related to the basis upon which the Province of Quebec rejected the charter, but my comments are related to that portion of the Victoria charter which purported to deal with the political rights of citizens in Canada.

It was of such concern to me that had the normal procedure as envisaged for the adoption of the Victoria charter been followed, I might have had great difficulty in finding it possible to have voted in this assembly in favour of the Victoria charter, despite the immense pressure which was put upon us to go along with the charter.

I want to deal with the problem of political rights as it is raised in the Victoria charter, because the Victoria charter gives a focus to the question for the first time so far as a constitutional document in Canada is concerned. This is the first time that we have had an inkling of the thinking of this government and of the government of Canada about political freedom in the province of Ontario and elsewhere in Canada. I want to deal with it in terms of a contrast with the Bill of Rights in the United States but not at any great length. I want to deal with it in accordance with my understanding of what the law appeared to be in Canada, with respect to political freedoms until the invocation of The War Measures Act, and the debates which took place about The Temporary Disturbances Act and up until the appearance of the Victoria charter, what I assume is still the law in Canada with respect to political freedoms.

I want to deal with it from those two aspects because I think that unless I misunderstand what the Minister of Justice and the Attorney General obviously agreed to in Victoria, there was a profound misconception by him of what had to be done for constitutional purposes, if we were going to entrench or to try to state in the constitution of this country: political rights or political freedom.

There are a number of distinctions which have to be made right at the outset. I am not talking about civil rights as used in the constitution at the present time with respect to property and civil rights. I am talking about civil liberties in a different context, having nothing to do with rights. I want to make a further distinction with respect to the phrase "civil liberties" and that is that in common parlance they are generally divisible into three or four areas, one of them being political freedom, one of them being what I choose to call procedural protections for ac-

cused persons, which are more in the nature of private freedoms or private liberties, private protections, economic protections, and the non-discriminatory equality of opportunity legislation, which is mirrored in this province in the Human Rights Code.

I want to leave these aside, not because they are unimportant, but because I want to focus attention solely upon the field of political freedoms, or political liberties, which I understand to be interchangeable terms.

In the Victoria charter, the first part of that charter purports to deal with what is then referred to as political rights, but in fact deals with political freedoms in the sense in which I have used that term, except that they might well be structured into rights by being contained within a specific written document. And it is the first three articles of part 1 of the Victoria charter, which set out the ambit of the problems that I want to raise with the Attorney General tonight.

Article 1 states:

It is hereby recognized and declared that in Canada every person has the following fundamental freedoms: freedom of thought, conscience and religion, freedom of opinion and expression, and freedom of peaceful assembly and of association, and all laws shall be construed and applied so as not to abrogate or abridge any such freedom.

Article 2:

No law of the Parliament of Canada, or the Legislatures of the provinces shall abrogate or abridge any of the fundamental freedoms herein recognized and declared.

But, Mr. Chairman, the charter then goes on in article 3 to raise the fundamental problem that is of such concern to me:

Article 3 states:

Nothing in this part shall be construed as preventing such limitations on the exercise of the fundamental freedoms as are reasonably justifiable in a democratic society in the interests of public safety, order, health or morals, of national security, or of the rights and freedoms of others, whether imposed by the Parliament of Canada or the Legislature of a province, within the limits of their respective legislative powers, or by the construction or application of any law.

Those are the three articles which contain the statement of the Victoria charter, with respect to political rights that I am speaking of.

In the United States at the time of the adoption of the constitution, there was considerable concern expressed by the citizens—following the adoption of the constitution of the United States—that, despite all the work that had been done and despite the revolutionary wars and despite the revolution, the constitution of the United States as originally adopted was not in fact a charter of freedom, the kind of freedom which those who took part in the revolution believed they were going to achieve in establishing their basic rights. Therefore, the first amendments—some 10 amendments—to the constitution were ultimately adopted in about 1791, in very rapid order in accordance with the amending provision of the original constitution.

Of those 10 items that were set out in the Bill of Rights, for the purpose of specifically limiting the area of my concern I want to deal only with what is contained in the first part of the first amendment.

The first part of the first amendment to the constitution of the United States states:

Congress shall make no law respecting an establishment of religion or prohibiting the free exercise thereof, or abridging the freedom of speech, or of the press, or the right of the people peaceably to assemble and to petition the government for a redress of grievances.

I think it would be fair to analogize from that particular statement in the constitution of the United States of America to the first two articles of the Victoria charter.

In other words, they are in substance categorical statements of political freedom. Therefore, they are equitable, subject to the actual differences in the language, but for practical purposes they say the same things. They say it in categorical, unequivocal terms and, therefore, the concern which I have is the abridging provision, or the provision which would indicate that in some way the political power of the state was to be exercised in a way which could curtail the exercise of those rights as set out in article 3 of the Victoria charter, which is hedged about in a balancing act in favour of an abridgement of any of the laws which would protect the otherwise categorically stated fundamental freedom.

Of course, the qualification is as I have stated; that such limitations on the exercise of the freedoms is not to be construed as being prevented by it, if they:

—are reasonably justifiable in a democratic society in the interests of public safety, order, health or morals, of national

security, or of the rights and freedoms of others, whether imposed by the Parliament of Canada or the Legislature of a province, within the limits of their respective legislative powers, or by the construction or application of any law.

I want to come back in a few minutes if I may, to that—perhaps after the dinner recess—back to the curtailment or the abridging language of article 3 of part 1 of the Victoria charter. I want first of all to state what I believe to be the substance of the present protection of civil liberties in Canada. I think the first statement I would like to make is one which was made by Professor Laskin, as he then was, and who is now a justice of the Supreme Court of Canada, when he was raising in his constitutional study what to him were fundamental questions about what civil liberties meant and who had jurisdiction over them within the framework of our constitution under The British North America Act, and he posed two questions—I think at that point I could then break my remarks.

One of the two questions which he posed is whether civil liberties are within the exclusive federal or exclusive provincial competence, or within the competence of both or neither. The cases have not yet given a definitive answer to this question, it is still

fighting ground whether civil liberty issues are segregable from otherwise valid provincial legislation in which they are involved.

And the further question which he raised, which in a sense should precede the other question, is one of determining:

—what is meant by or should be comprehended within the term civil liberty or any analogous term. An answer to this question is a necessary basis for evaluating issues of legislative power addressed to freedoms of one sort or another.

I think, Mr. Chairman, I just have one statement to make before the recess and that is that I think it can also be clearly and categorically stated that at the present time in the constitution of Canada, insofar as it is a written document, there is no statement of fundamental political rights or political freedom and that therefore at the present time in Canada the position with respect to political freedoms is dependent entirely upon what the courts have said when, on very rare occasions, they have had to deal with these basic and fundamental questions. Perhaps after the recess I could continue with that, Mr. Chairman.

It being 6 o'clock, p.m., the House took recess.

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ONTARIO

Legislature of Ontario Debates

OFFICIAL REPORT—DAILY EDITION

Fourth Session of the Twenty-Eighth Legislature

Tuesday, July 6, 1971
Evening Session

Speaker: Honourable Fred McIntosh Cass, Q.C.
Clerk: Roderick Lewis, Q.C.

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HOUSE REPORTS OF THE COMMITTEES ON THE

HOUSE, JULY 6, 1911

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WASHINGTON, D. C.

LEGISLATIVE ASSEMBLY OF ONTARIO

TUESDAY, JULY 6, 1971

The House resumed at 8 o'clock p.m.

ESTIMATES, DEPARTMENT OF JUSTICE (continued)

Mr. Chairman: The hon. member for Riverdale.

Mr. J. Renwick (Riverdale): Mr. Chairman, at recess I was speaking about my concern in connection with articles 1, 2 and 3 of part 1 of the Victoria charter dealing with fundamental political freedoms. I had, in very brief summary, equated the first part of the first amendment to the constitution of the United States with paragraphs 1 and 2 of the Victoria charter. I think that the analogy is direct and accurate in the categorical expression of political freedoms.

My reservation was with respect to paragraph 3 of the Victoria charter which I refer to, for convenience sake, as the abridgement clause. What appeared in the Victoria charter does not appear in the constitution of the United States.

I had then referred to certain distinctions which, by nodding, the Minister of Justice (Mr. A. F. Lawrence) obviously agreed with. The distinction between political freedoms, or civil liberties in a political sense, and civil rights. I had restricted the comments I was making to the fields of political freedoms, not necessarily to follow along the other areas which we have discussed on other occasions, with respect to the procedural protections for accused persons or non-discriminatory laws. Or laws with respect to the rights of people to economic security, which is in a different branch and a different area of the arguments about civil liberties.

Restricting myself again to this fundamental but narrow field of political freedoms, just before the dinner adjournment, I indicated two of the questions which Professor Laskin, as he then was—now Mr. Justice Laskin of the Supreme Court—had set out in dealing with this topic in his work on the constitution of Canada. I now want, before coming back, to tidy up what I have been

endeavouring to communicate to the members of the assembly and to the minister, to deal with my understanding of what the law, unsettled as it may appear to be, is in Canada at the present time. There are, of course, a number of cases—not all that many, but a number of cases—from which I have selected two which I think basically state very clearly the position which the Supreme Court of Canada has taken with respect to political freedoms in Canada.

I refer, first of all, to the case with respect to An Act to Ensure the Publication of Accurate News and Information passed in the early days of the Social Credit regime in Alberta in the early 1930s. It was disallowed and then was referred to the Supreme Court of Canada.

I need not elaborate on to what the bill purported to do. It was a question as to whether or not this infringed upon freedom of the press and that question was decided by the Supreme Court of Canada in language which, in our very limited and subdued way, has become historic language so far as civil liberties in Canada are concerned.

The principal problem, always, in these very lengthy judgements is to find just exactly where it is. The chief justice, Chief Justice Duff, then the Chief Justice of the Supreme Court of Canada, had this to say, and I am going to quote the substance of what he stated about it.

The Act was disallowed; the disallowance was upheld and the statute was considered to be ultra vires of the legislative power of the government of the Province of Saskatchewan.

I am quoting from page 132 of the 1938 Supreme Court Reports:

Under the constitution established by The British North America Act, legislative power for Canada is vested in one parliament, consisting of the sovereign and upper house, styled the Senate and the House of Commons. Without entering in detail upon an examination of the enactment of the Act relating to the House of Commons, it can be said that these provisions

manifestly contemplate a House of Commons which is to be, as the name itself implies, a representative body, constituted, that is to say, by members elected by such of the population of the united provinces as may be qualified to vote. The preamble of the statute moreover, shows plainly enough that the constitution of the Dominion is to be similar in principle to that of the United Kingdom. The statute contemplates a parliament working under the influence of public opinion and public discussion. There can be no controversy that such institutions derive their efficacy from the free public discussion of affairs, from criticism and answer and counter-criticism, from attack upon policy and administration and defence and counter-attack, from the freest and fullest analysis and examination from every point of view of political proposals. This is signally true in respect of the discharge by ministers of the Crown of their responsibility to Parliament, by member of Parliament of their duty to the electors, and by the electors themselves of their responsibilities in the election of their representatives.

The right of public discussion is, of course, subject to legal restrictions. Those based upon considerations of decency and public order and others conceived for the protection of various private and public interests of which, for example, the laws of defamation and sedition are concerned. The word "freedom of discussion" means, to quote the words of Lord Wright in "James versus Commonwealth," "freedom governed by law."

Even within its legal limits, it is liable to abuse and grave abuse and such abuses are constantly exemplified before our eyes but it is axiomatic that the practice of this right of free public discussion of public affairs, notwithstanding its incidental mischiefs, is the breath of life for parliamentary institutions.

We do not doubt that, in addition to the powers of disallowance vested in the Governor General, the Parliament of Canada possesses authority to legislate for the protection of this right. That authority rests upon the principle that the powers requisite for the protection of the constitution itself arise by necessary implication from The British North America Act and since the subject matter, in relation to which the power is exercised is not exclusively a provincial matter, it is necessarily vested in Parliament. But this by no means

exhausts the matter. Any attempt to abrogate this right of public debate, or to suppress the traditional forms of the exercise of the right in public meeting, and through the press, would, in our opinion, be incompetent to the legislatures of the provinces, or to the legislature of any one of the provinces, as repugnant to the provisions of The British North America Act by which the Parliament of Canada is established as the legislative organ of the people of Canada under the Crown, and dominion legislation enacted pursuant to the legislative authority given by those provisions.

The subject matter of such legislation could not be described as a provincial matter purely as in substance exclusively a matter of property and civil rights within the province or a matter of private or local within the province. It would not be, to quote the words of the judgement of the judicial committee in Great West Saddlery Company and the King, "legislation directed solely to the purpose specified in section 92," and it would be invalid on the principles enunciated in that judgement.

So, in substance, what the court said in that particular case was that, taking their clue from the preamble to The British North America Act which refers to a constitution for Canada similar to that of the United Kingdom, they then inferred from that and drew the necessary inferences to protect the right of public discussion of a free press and similar political rights, which are all part of that recognition in a democratic society of the need for those rights.

The judges who supported Chief Justice Duff in his portion of the decision—I do not want to give any impression that it was by any means unanimous—but for practical purposes, it has been considered to be the law in Canada that it is incompetent to the provincial Legislatures to touch upon any of the matters which can be called political freedoms. And the second case to which I was—

Mr. V. M. Singer (Downsview): Have they not a right to know?

Mr. J. Renwick: Yes. And the second case to which I referred is the case of John Switzman and Freda Elbing and the Attorney General of the Province of Quebec, commonly known as the "padlock case," which was decided in the Supreme Court of Canada in 1956. And in that case again the

principal judgements with respect to that aspect of it dealing with political freedoms were delivered by the late Mr. Justice Rand and by Mr. Justice Abbott. And Mr. Justice Rand, in his own particular eloquent way, reasserted in substance the principles which had been put forward by Chief Justice Duff when they declared the Alberta statute to be ultra vires of the province.

The assembly will no doubt recall that that was a situation in the Province of Quebec where the Attorney General could go in and padlock—subject to certain appeal procedures subsequent to the event—padlock any house which was widely defined as if he considered that it was being used, or any person was being allowed to make use of it, to propagate communism or bolshevism by any means whatsoever. And similarly it was unlawful to print or publish or distribute in the province any newspaper, document or writing whatsoever propagating or tending to propagate communism or bolshevism.

The closure was enforced and the matter came finally before the Supreme Court of Canada and Mr. Justice Rand, in giving his decision, said:

That the scene of study, discussion or dissemination of views or opinions on any matters has ever been brought under legal sanction in terms of nuisance is not suggested. For the past century and a half in both the United Kingdom and Canada there has been a steady removal of restraints on this freedom, stopping only at perimeters where the foundation of freedom is self-threatened. Apart from sedition, obscene writings and criminal libels, the public law leaves the literary, discursive and polemic use of language in the broadest sense free.

He then makes the distinction:

It is not a matter of civil rights, it is a matter of civil liberties, that the aim of this statute is, by means of penalties, to prevent what is considered a poisoning of men's minds, to shield the individual from exposure to dangerous ideas, to protect him, in short, from his own thinking propensities.

He discarded the view that that was within the power of the Legislature of the Province of Quebec. He then goes on:

Indicated by the opening words of the preamble in the Act of 1867, reciting the desire of the four provinces to be united in a federal union with a constitution similar in principle to that of the United

Kingdom, the political theory which the Act embodies is that of parliamentary government with all its social implications, and the provisions of the statute elaborate that principle in the institutional apparatus which they create or contemplate. Whatever the deficiencies in its workings, Canadian government is in substance the will of the majority expressed directly or indirectly through popular assemblies. This means, ultimately, government by the free public opinion of an open society, the effectiveness of which, as events have not infrequently demonstrated, is undoubted. This constitutional fact is the political expression of the primary condition of social life and thought, and its communication by language. Liberty in this is little less vital to man's mind and spirit than breathing is to his physical existence. As such an inherence in the individual that it is embodied in the status of citizenship.

In substance he adopts the position taken by Chief Justice Duff in the earlier case. Mr. Justice Abbott went even further than either Chief Justice Duff or Mr. Justice Rand and the other justices who support him. As I have stated, they clearly stated that these matters are beyond the legislative competence of the legislative assemblies of the provinces. They hesitated at that point as to whether or not even the Parliament of Canada would have power to deal with these fundamental liberties of people.

Mr. Justice Abbott, in a rather quaint phrase which has been quoted from time to time, left even that question open to debate. Mr. Justice Abbott states:

This right to political freedom cannot be abrogated by provincial legislature and the power of such legislature to limit it is restricted to what may be necessary to protect purely private rights, such as for example, provincial laws of defamation. It is obvious that the impugned statute does not fall within that category. It does not in substance deal with matters of property and civil rights or with local or private matters within the province, and in my opinion is clearly ultra vires.

Although it is not necessary, of course, to determine this question for the purposes of the present appeal, the Canadian constitution being declared to be similar in principle to that of the United Kingdom, I am also of the opinion that, as our constitutional Act now stands, Parliament

itself could not abrogate the right of discussion and debate. The power of Parliament to limit it is, in my view, restricted to such powers as may be exercisable under its exclusive legislative jurisdiction with respect to criminal law and to make laws for the peace, order and good government of the nation.

Well, that is in substance the present law in Canada, uncertain as it may be. And yet there are certain fundamental principles as stated in there which the courts would presently, if the same processes of determination of this question come before them, I am sure enlarge. That is that it is not competent to the legislative assemblies to deal with these questions of political rights, and that there would be severe restraint and a very close scrutiny of any statutes of the Parliament of Canada which purported to deal with political freedoms, and which could not be supported, at least under the criminal law or under the more general power, to legislate for the peace, order and good government of Canada.

So that what we come back to then in article 3 of the charter is the provision which specifically provides that the fundamental freedoms, if the abridgement clause were to be used, the fundamental freedoms can be abridged whether by the Parliament of Canada or the Legislature of a province within the limits of the respective legislative powers or by the construction or application of any law.

It would appear to me to be, in that sense, a reversal of the line of reasoning of the Supreme Court of Canada. In other words, what the Victoria charter was going to do was to make a fundamental change in the tradition with respect to the protection of civil liberties in Canada, and that was to provide that this abridgement clause could be exercised by a provincial legislative assembly.

I do not know what the reasoning or the thinking or the motivation was with respect to that particular clause. I am certain it was given very careful scrutiny by those who drafted it, who were attempting to put forward this particular charter. But, if it means, looking back to the events of last October and the implication of The War Measures Act, a federal statute, and the substitution on the books of Parliament for the Temporary Disturbances Order bill, which has now, thank goodness, gone from the statute books; if it, in fact, meant that what was agreed by the 11 men in Victoria

was that, if a similar situation should arise, it would be within the legislative competence of one of the provinces of Canada to pass something in the nature of the Temporary Disturbances Order bill, then I simply say it is wrong to have attempted to create that basic change in the constitution of Canada in the way in which this government, along with other governments, purported to try to do so by rushing it through on some short timetable.

Perhaps they did not realize what they were doing, but it would seem to me that any government with any sense of responsibility, that was going to effect that kind of basic change or even to put a document forward where there was any likelihood of that kind of basic change taking place, had a responsibility to bring it clearly before the assembly that this is what was being accomplished by the Victoria charter.

That is the first and fundamental point that I want to make, that it would have caused me serious concern to have been able to have supported other aspects of the Victoria charter which were beneficial if, in fact, what this charter said was that one of the provinces, as distinct from what it can now do, could exercise the kind of authority to curtail political freedoms that would appear to be inherent in the language which is used in article 3 of the Victoria charter.

The second point, and I believe my last point on this same question, is that apart from that specific problem, if one studies or endeavours to look at the history of the Bill of Rights in the United States; if one tries to understand what has taken place as recently as the last several days in the courts of the United States with respect to freedom of the press—and I do not need to add that freedom of the press and freedom of speech and freedom of religion and freedom of assembly and peaceable association are all bound together, and arguments made for one are in many cases equally applicable to arguments made for the other—then one realizes that what the Supreme Court of the United States has been endeavouring to say—not consistently and not continuously, but from time to time—is that categorical statements as contained in the first part of the first amendment to the Constitution of the United States about political freedoms are categorical statements. They are not political exhortations. They are not to be interpreted in the light of sweet reasonableness. They are not to be interpreted in a way which can be said, "Oh, well, they are nothing to do with

the law at all, they are sort of a guidance for us as to how we will apply them." They are categorical statements and I think it is fair to say that the history of the Supreme Court of the United States, certainly in the last few years, certainly under the Chief Justiceship of Earl Warren, has been very positive about that interpretation of the United States constitution.

Even though the United States Supreme Court over a period of time may have taken different views on different aspects of this problem and maybe succumbed to this version that in some way or other these were not categorical statements, the fact of the matter is that because they are categorically stated in the constitution, persons can always get back to that court, to get the court to consider the question, because they are unfettered in the constitution.

Therefore, regardless of what deviation in view one may find over the course of history in the United States, the fact of the matter is that the categorical statements in the constitution always provide a road for protection of the political freedoms of individual citizens in the United States.

If they are not categorically protected, then you fall into the kind of problem in which I can envisage the Supreme Court of Canada, if it were to be a court of general appeal for this kind of problem—and that is another problem about this Victoria charter, but we will not deal with that tonight—would say to themselves: "What meaning do we give if a particular law was passed and it was challenged on the grounds of being an infringement of a fundamental freedom and it was supported by the Attorney General of the Province of Ontario or the Attorney General of Canada in the courts, on the ground that this is a limitation on the exercise of a fundamental freedom because it is reasonably justifiable in a democratic society in the interests of one of the enumerated heads."

And the minister knows very clearly, "reasonably justifiable in a democratic society," that the Supreme Court of this country—the supreme court of any country—called upon to make that decision about a law passed in a democratic legislative assembly by the elected representatives of the people, would be very loath to substitute their view as to what was reasonably justifiable in a democratic society.

They would start from the proposition that it must be said in a democratic society, that the law which is passed by a demo-

cratically elected representative assembly, such as this legislative assembly, is entitled always to the benefit of the doubt, even if they were to express it in those terms.

They would, in fact, say: "Who best can judge what is more reasonably justifiable in a democratic society than the very people who are elected in that democratic process to pass the laws which are required?"

And I simply say that to the extent that this language permits any abridgement of those fundamental freedoms, you in fact, for practical purposes, prohibit a court from protecting political freedoms when the chips are down at the point in time when political freedoms are important.

It is all very easy to talk about them when they are not terribly important, but when the chips are down and this assembly, in a particular situation, where emotions would be aroused, where concern would be expressed, passed a law which abridged those fundamental freedoms and sought to justify it under that abridgement clause, a court would have grave difficulty in overthrowing it.

Therefore I think that, if I may use the term, paragraph 3 for that second reason is fundamentally flawed in the charter from Victoria. There should be no such abridgement limitation. We should not perpetuate in the constitution the very arguments which have been used against the Bill of Rights when the cases have been argued in the Supreme Court of the United States.

And I am going to finish my remarks about that particular aspect of it by simply quoting the two sides to this question—

Hon. A. A. Wishart (Minister of Financial and Commercial Affairs): May I ask the hon. member a question? Discard for a moment the thought that the abridgement clause in article 3 relates at all to the provinces. Assume for a moment that it relates only to the federal power of abridgement, the Parliament of Canada. Would the hon. member say that it should not be there at all—that the federal House should not have some power of abridgement?

Mr. J. Renwick: I personally would say that if I have to make the choice between having categorical statements of these political freedoms in the constitution and having categorical statements cut down by this abridging power, to answer the minister's

question, then I would opt for the categorical statement of the political freedoms and leave the question as to whether or not, either by executive action or by legislative action in the Parliament of Canada or elsewhere—and I recognize the point that the minister made—to come before the court for the court to decide. I think that in certain circumstances, as perhaps was the case in the United States recently, one could posit circumstances where the Supreme Court of the United States might very well have considered that the national security overrode everything else in the protection of the very existence of the state.

But I want to refer to the two sides to this argument about what these categorical statements mean, even when there is no abridging clause. I want to refer to them because there are two men in the legal profession, each of whom is of equally high reputation and I certainly have benefited from whatever I have read by either one or both of the men.

I quote simply about a page, if I may, Mr. Chairman, of a book called, "The Bill of Rights," by a man by the name of Irving Bryant, for whom I hold no particular brief. This particular page or so I think puts the problem very clearly:

It would be hard to find two men who were more sincerely devoted to the objectives sought in the American Bill of Rights than the late Judge Learned Hand of the United States Circuit Court of Appeals in New York and the late Dean Roscoe Pound of the Harvard Law School. Yet the basic conflict over the legal force of these constitutional guarantees can be set forth with the sharpest clarity in their opposing utterances.

Said Judge Hand in an address before the New York State board of regents in October, 1952:

"What is freedom of speech and of the press? What is the establishment of religion and the free exercise thereof? What are unreasonable searches, due process of law and equal protection of the law? Indeed, these fundamental canons are not jural concepts at all in the ordinary sense and in application they turn out to be no more than admonitions of moderation, as appears from the varying and contradictory interpretations that the judges themselves find it necessary to put upon them."

Continuing, Judge Hand says that as long as there are any plausible arguments

in support of a measure the courts must abstain from intervening; it is the voters speaking through their delegates who have the final word. They alone can and will preserve our liberties, if preserved they are to be. Since plausible arguments can be found in support of almost any law, Judge Hand reduced the constitutional command to a virtual nullity.

Dean Pound may well have had this speech in mind when he set forth a sweeping rebuttal of the admonition doctrine five years later in the preface to his book, "The Development of Constitutional Guarantees of Liberty"—

and the quotation is from that book:

"The guarantees of liberty in American constitutions are not and are not thought of as exhortations as to how governments should be carried on or its agencies will operate. They are precepts of the law of the land, backed by the power of the courts of law to refuse to give effect to legislative or executive acts in derogation thereof.

"Thus, violation of these secured liberties must amount in effect to a revolution in order to overthrow them. Any considerable infringement of guaranteed individual or minority rights appears to involve much more than overriding a pronouncement of political ethics in a political instrument. It evolves defiance of fundamental law, overthrow of established law, upon which the maintenance of the general security rests."

I do not know of any place where the opposing views have been put either so clearly by two men whom all of us, certainly in the legal profession, would consider were deserving of respect. But I say to the Minister of Justice and Attorney General and to his predecessor, who I am glad to see is here tonight, that I want them to know that I do not know what their views were or are about this particular provision of the Victoria charter. We have at least now seen it in type. We are at least now able to point to it, and point out what I consider to be serious deficiencies in the Victoria charter with respect to political freedoms.

I think it creates the possibility at least, and indeed the probability, of a fundamental change in the question of the degree to which there is protection of political freedoms from intervention by the legislative assemblies of the provinces, or indeed by the Parliament of Canada, because the ongoing processes of

jurisprudence had not reached any definitive statement about these points.

But more than that, to the extent that this government was prepared to accede to an abrogation clause, expressing this admonitory view, or the exhortative view, or the view which would cut down on those fundamental freedoms as set out in article 3, I think the minister opposite has a distinctly opposite view to mine about where, on balance, in difficult questions, the protection of political freedoms lie.

I want to state categorically from my point of view, we did not, in our caucus, have to deal with this matter in any depth. Certainly some of the members of our caucus would agree with me and indeed, perhaps all of them, had the occasion required us to thrash this out.

I simply want to say that I stand unequivocally now—and I have on other occasions in this House—for the categorical statement of the protection of political freedom. I leave the other aspects of civil liberties to be dealt with at another time, but I felt that it was absolutely essential that we take the opportunity in this minister's estimates to put before him the concern which we had about part 1, headed, political rights, articles 1, 2 and 3 of the Victoria charter.

Hon. Mr. Wishart: I wonder, before the hon. member sits down, Mr. Chairman, if he would take a moment and discuss the necessity of saving any freedoms in a written constitution; whether we might continue as we go now and as Britain goes, without a written constitution. Is it necessary to state them? Perhaps he might care to say a word on this.

Mr. J. Renwick: If I have to state my preference, my preference would be for the entrenchment of the categorical statement of political freedoms in a written constitution. My second preference would be the view which the Minister of Financial and Commercial Affairs has asked me about, and that is that we not express them at all, but we leave it to the traditional processes of the courts, based upon the traditions of civil liberties enthroned in the basic charters of the United Kingdom, whether it is Magna Carta or the Bill of Rights, or the Petition of Rights, or whatever those particular great constitutional charters were, and whatever the common law would be in specific circumstances.

Mr. Singer: As defined by the Supreme Court of Canada.

Mr. J. Renwick: Even to the extent that the cases have come before the Supreme Court of Canada, I am not unhappy with the decisions which they reached. I am not unhappy with the fact that they were cautious about what they were saying, because that is the correct judicial approach.

My third preference, and I would say falling quite some way behind, would be the provisions as set forth in the Victoria charter, not articles 1 and 2 which are quite fine, but I would have great hesitation in permitting approval to be given of the abridgement clause as set out in article 3.

Mr. Singer: Mr. Chairman, while it is quite out of the ordinary course of debate, since the Minister of Financial and Commercial Affairs has entered into this, is he against the entrenchment of a Bill of Rights in our charter? Because, after all, he is perhaps a spokesman for government and I would like to get his opinions on the record.

It is very difficult to have ascertained from what seems to have emerged from Victoria and from other conferences, just where the former Attorney General stands in these matters.

Hon. A. F. Lawrence (Minister of Justice and Attorney General): You are blaming me for that?

Mr. Singer: Former; I used the word former.

Hon. Mr. Wishart: I am happy to answer. I do not particularly want to involve myself in the discussion of the estimates of the Attorney General, but this was such an interesting discussion, I think perhaps a little afieid of actual estimates, but very worthwhile and very important.

Mr. Singer: The minister wants out anyway.

Hon. Mr. Wishart: It is not difficult at all to know my attitude. When I was Attorney General I expressed, at the Dominion-provincial conference in Ottawa in 1968, I believe, the position of Ontario on the entrenchment of certain rights—at that time it was suggested that a very wide area of rights be entrenched. Ontario's position was, as stated by myself, that we would agree and go along with and support the entrenchment of certain fundamental rights—freedom of speech; freedom of association; freedom of religion; the right to vote. Those actually are now the rights.

We restated that again at the next Dominion-provincial conference and at that time the other provinces, and I think Canada, had come to that view, if I may say so. Those are now the freedoms which are stated in the Victoria charter.

There were many other political rights which we felt should not be stated there, which were far better left to a legislature to determine and to the courts to rule upon without being stated. We felt it was quite proper those fundamental freedoms should be stated in our charter.

Mr. Singer: Mr. Chairman, with your permission, if we can divert for a moment, I would like to engage the Minister of Financial and Commercial Affairs for—

Hon. Mr. Wishart: The member is not going to entice me into a debate on this subject at this time.

Mr. Singer: I would like to because you have inserted yourself and I think it is only fair. We can get to the member for St. George in due course.

Mr. R. F. Nixon (Leader of the Opposition): Any time.

Mr. Singer: He is not very unhappy about this actually, but I have been puzzled. I have watched and, with interest, listened to the Minister of Financial and Commercial Affairs espouse these views. I have had great difficulty in extracting from his broad general statements of principle what, really, he is talking about.

Yes, there was something in the Victoria charter; yes, there was something in what he previously said. But every time he came back from one of these conferences in his former capacity, he always had reservations. One must recognize, Mr. Chairman, that when the formal spokesman for the Province of Ontario comes back with reservations from these conferences it almost throws out the window whatever unanimity might appear to be available to accomplish an enshrined bill of rights, either federally or provincially.

We urged him on many occasions to tell us what, in conjunction with the federal power, we could do provincially to define our rights within the limits of the BNA Act so that perhaps we could say federally our rights are such and such and they are defined and they are enshrined in our section 91; or in our BNA Act; or in our constitution; and provincially equally. It is my definite

recollection, Mr. Chairman, that on each occasion when we tried to pin this minister down he backed away, and he backed away on the terms that he is using tonight.

I am concerned about the real desire in specific terms, not in general terms, of the government of Ontario to come to grips with this problem. I share much of the concern expressed by the hon. member for Riverdale and what puzzles me on this particular problem—and the member for Sault Ste. Marie will note I have been reasonably quiet in these constitutional debates—but I have been listening and I have been reading and I have been watching.

Hon. A. F. Lawrence: Well, you have been quiet.

Mr. Singer: I have been trying to ascertain what really is your position. Is there a spokesman for government? The member for London North (Mr. Roberts) somehow surrounded himself with the great halo of being the defender of Canadianism. He was saving Canada, but he never really said anything. He never really said a single thing. At least he made a presence apparent and he got on television and he got in the news media and he had a conference, Confederation of Tomorrow, and everybody said, "Hurrah for Roberts. This is wonderful." And he never really did anything. And his spokesman, the member for Sault Ste. Marie, was never able to enunciate in definitive terms what the then Premier was talking about.

Mr. Nixon: He did a hatchet job on entrenchment at the 1968 conference.

Mr. Singer: Nor is he able to do it tonight. In fact, he did a hatchet job on any attempts that were made to enshrine a bill of rights. Now the present Premier (Mr. Davis) is even worse. He went to that Victoria conference and emerged even without the television presence, even without a gimmick, even without an opinion. He took the present Attorney General with him and out of the whole thing one would hardly know Ontario was there.

So substantially, Mr. Chairman, I ask the Minister of Financial and Commercial Affairs, who is an old hand at this game and who is now cross-examining my friend for Riverdale—with whose views I do not often agree, but once in a while I share his opinion—cross-examining him to see what his opinions are. His colleague, the Attorney General has very few opinions on it.

What are the views of government? The former Premier carried on a bluff and a bluster that carried him through at least one election and probably two, without doing anything. The Prime Minister does not even do that. Is there an opinion from this government about whether or not we should have an enshrined bill of rights, federally, provincially? If so, what should be in the federal bill of rights? What should be in the provincial bill of rights? Does the hon. member for Sault Ste. Marie believe that the common law should be sufficient safeguard?

Fine, I like Laskin and Laskin can be counted on during his lifetime on the bench of the Supreme Court of Canada to give intelligent, forward-looking, small "I" liberal points of view about the defence of civil rights. But suppose we get a reactionary who replaces him and who becomes that kind of constitutional spokesman, can we then depend on the Supreme Court of Canada to defend? I doubt that very much. Is there not something of very substantial value—

Mr. Nixon: We are concerned about that.

Mr. Singer: —to enshrine in a federal bill of rights, in a provincial bill of rights, that is part of our constitution? This is the thing I would like to hear from some spokesman for government, and not a cross-examination addressed to the hon. member for Riverdale.

Hon. Mr. Wishart: Well, Mr. Chairman—

Mr. Chairman: With respect to the hon. minister, if I may just say this at this time—as chairman of the committee it is my responsibility to do this—this type of debate is out of order completely, entirely out of order, and I think—

Hon. A. F. Lawrence: It is very interesting though.

Mr. Chairman: It is very interesting. I find it most interesting. However, it is out of order.

Mr. Nixon: What does the clerk say?

Mr. Chairman: I would think that the hon. minister should reply. I will permit the hon. Minister of Financial and Commercial Affairs to reply briefly to the questions, then the Minister of Justice should proceed with his reply to the lead-off speakers.

Hon. Mr. Wishart: Thank you, Mr. Chairman. I shall be very brief. I appreciate your permission to reply since the statements that the hon. member for Downsview made I

think have to be corrected, or at least responded to in a correct way.

Mr. Nixon: Oh!

Hon. Mr. Wishart: The position of Ontario was stated, as I said, in 1968 I believe it was, at the Dominion-provincial conference. The views of Ontario are a matter of record. And the then Prime Minister—whom the hon. member for Downsview refers to as the member for London North—requested that the Attorney General of that day would state that position, which he did.

I will get that statement, which is a clear and definite statement. It is a matter of record. I can furnish it to the member for Downsview so that he may know what the position was and is. And as I say, I think that the fundamental freedoms which are set forth in the Victoria charter, as we call it, are those which we then put forward as being the right ones to go in the constitution.

I do have some reservations about the right of abridgement as my friend for Riverdale has expressed. I hope I was not cross-examining him. I was trying to have a discussion with him and to gain his view on certain features of that charter. I will get the position of Ontario, which was firmly and clearly stated, and furnish it to the member for Downsview.

Hon. A. F. Lawrence: He did not read it in 1968; he will not read it in 1971.

Mr. Nixon: The entrenchment of civil rights was never discussed again.

Mr. Chairman: The hon. Minister of Justice.

Mr. J. Renwick: Send me one, too.

Hon. A. F. Lawrence: Mr. Chairman, I merely point out to my colleague to my left that obviously the member for Downsview did not read it in 1968. I doubt very much if he would read it in 1971 either.

Hon. E. Dunlop (Minister without Portfolio): That is right.

Hon. A. F. Lawrence: But in any event, I think this has been a very worthwhile small discussion of a small problem—a small problem in relation to the total picture presented at Victoria, which was really a result of many years of a lot of work by a lot of people in all of the provinces and, of course, by the federal government. Unfortunately it looks as if we will not be called upon to have a

real debate on these matters this session. I am sure it is everyone's hope that sometime in the next session, or if need be the next parliament, that these matters will be submitted to the Legislature for debate and confirmation or rejection.

In respect of the political freedoms, it is certainly no secret at all that the position of this government through the years—and one which I heartily concur in and was glad to espouse at Victoria and prior to Victoria—is that these freedoms have to be enunciated in a clear, unequivocal way within any constitutional document that we might come up with. It is also no secret that the Ontario position was that there should have been more than what finally emerged from Victoria.

In respect of the abridgement, I think the hon. members have to appreciate what is entailed in negotiations at meetings such as these and at meetings prior to a meeting such as at Victoria. I am not going to get backed into the corner by anyone, by indicating that what emerged from the Victoria conference met with the wholehearted approval of me personally, or me in this job that I now have or, for that matter, of this government as a whole.

As I seriously run over in my mind the subject matters of the final outcome of the Victoria conference, I cannot think of a single subject in relation to that charter in which, on behalf of this government, I could say we unreservedly approved of the final results—unless you want to take a Bourassa-like stand. But you have to be aware of the give and take that has to go on to essentially reach a compromise.

I also believe that it is no secret at all that in relation to the battle—and it has been a battle, I am led to believe; I had no part in the earlier parts of it—in the battle to enshrine some fundamental rights in that charter, certainly there were views from some of the provinces, not necessarily exclusively the Province of Quebec either, that resulted in that abridgement article 3.

As I say, as far as I am concerned anyway, I believe we are still bound by some strictures in relation to the positions and the give-and-take, compromise positions and suggestions that finally emerged in respect to that matter. Certainly I believe that this is a matter that, if it is going to be made public, should not be made public by me. But we just have to be aware of the compromises that have to be reached if there is going to be any progress in a country such as this, which apparently produces such a divergency

of thought and theory in respect of these legal matters.

I must say to the hon. member that I do not share the assurance of the hon. member for Riverdale and apparently—though I am not too sure about this because he did not make himself particularly clear on the matter—the hon. member for Downsview. I do not in any event share the certainty that appears to exist in the mind of the hon. member for Riverdale that the Supreme Court of Canada is going to be the bastion of these fundamental freedoms which his words seem to indicate—

Mr. Singer: I did not make myself too clear on that?

Hon. A. F. Lawrence: —and I am not that certain that the words of the then Mr. Justice Abbott in the padlock case would lead anyone with certainty to believe that type of attitude is going to be shared at all times by all of the members of the Supreme Court of Canada as we progress through the matter.

But in any event I think we all owe a debt of gratitude to the hon. member for Riverdale. I think it has been a worthwhile discussion. As I have indicated, I am hopeful that there will still be the opportunity to discuss this and other matters in relation to the Victoria charter at some time in the future.

Mr. J. Renwick: Could I ask just one or two questions on it? I do not want to ask what the positions of other governments were and so on, but is it fair that I assume from what the minister has said that the position of the Ontario government going into the conference—or at whatever point in the process of developing the consensus that came out of the Victoria meeting as reflected in the charter—that the Ontario government was not asking for an abridgement clause?

Hon. A. F. Lawrence: No, I think that would not be a safe assumption for the hon. member to make. I think the Ontario delegation, far in advance of my assumption of this office, recognized that if anything was going to be successfully completed—and there may have been more merit to it even than that, I am not too sure—there would have to be some recognition at least of the very vociferous point of view put forward by some other provinces in respect of an abridgement article. I really feel that I am not at liberty to say any more about it than that. I do not

know why these restrictions have been placed upon us but they have.

Mr. J. Renwick: Let me make one comment then. The minister referred to Premier Bourassa very briefly—

Hon. A. F. Lawrence: Well, it was that attitude.

Mr. J. Renwick: I know what the minister means, but I want to draw the parallel. I want to try to create in the mind of the minister the same concern that Premier Bourassa had when he went back to Quebec, about the political pressure to which he was subjected because of the political views in Quebec which required him to feel that they could not approve the charter. Not because they did not, perhaps, as a group of men, like it but because the political situation in the province was not such that would permit any government to have accepted it for specific reasons which one of these days will be more clear.

What I am trying to say to the minister is, will he take the view that there would be, in my judgement, if the matter were thoroughly thrashed out in the Province of Ontario, strong feeling behind this government against an abridgement clause?

I think that there would be, even though we are not ones who generally speak as much about civil liberties and political freedoms as is their wont in the United States and in other places which are coming into newly found freedom. We tend to be rather subdued about it.

I think that the minister has got to understand that there are people in the province who believe that when the choices and chips are down political freedoms are essential and that there should be no abridgement clause.

There are political pressures apart altogether from what the men in the Ontario government might happen to view as important at a particular time for the purpose of reaching a consensus perhaps, but also for the purpose of recognizing that these are matters of principle on which the foundation of the system hangs, and we cannot, in my judgement, stay in the never-never land of waiting for the courts to work them all out.

I think we have to come forward forthrightly and recognize the principle. I adhere of course to the order that I gave to the Minister of Financial and Commercial Affairs as to the three alternatives that might be available.

Hon. A. F. Lawrence: There again, I am pleased to have the opinions of the hon. member for Riverdale, which in this matter in any event I respect quite sincerely. But I just want to make sure here, so that I can properly interpret his view, is he saying that the Ontario government would have been justified in rejecting the whole of the Victoria charter on the basis that that abridgement article 3 should not have been there?

Mr. J. Renwick: If the choice were the whole of the charter with this clause in it, or none of the charter, then I would say the Ontario government should have rejected it.

Hon. A. F. Lawrence: All right.

Mr. J. Renwick: But in the processes of consensus-finding in the province it may well have been that other valuable parts of the charter, parts that I am sure we would be in agreement with in the assembly, do not necessarily have to go down the drain. Of course that leads me to the other point which was made by the leader of this party when he made his statement following the rejection of the charter by Quebec. We felt very uneasy—and I am quite certain members of the party which supports the government but who are not in the government felt uneasy—about the crowded timetable to agree to such fundamental changes.

And the leader of this party put our position perfectly clearly, and that was that now that it is over, now that the crowded timetable is out of the way, now that the pressure is off we want it understood that constitutional change has got to be a matter of debate; that there cannot be some shotgun timetable that all of us have to adhere to on the grounds that we had better accept it the way it is, even though there are serious reservations, for fear of not getting any part of it.

I happen to think that the procedure—whatever the merits, whatever may have led up to it, and I can understand after so many years the anxiety to get the matter over and done with—I think was a fundamentally wrong approach. So, coming back to the minister's question, I repeat my answer to him: If it were a choice of the Victoria charter with article 3 of part 1 in it, or no charter, then I would prefer to have no charter.

Hon. A. F. Lawrence: Obviously that is not the opinion or the view of this government. Other than that, Mr. Chairman, I

really do not have anything more to say in relation to the introductory remarks on behalf of the two opposition parties. On many of the subjects I anticipate there will be much opportunity as we go through the estimates to deal with these matters on the various votes and on the various items.

I am always impressed, however, by the attitude and the thrust of the remarks of the hon. member for Downsview in these matters. Far be it from me to give advice to anyone. As the hon. member well says, this may be the last opportunity he will have to be—

Mr. Singer: No, I said you will have.

Hon. A. F. Lawrence: But I have been here, I think, longer than the hon. member.

Mr. Singer: I think six months.

Hon. A. F. Lawrence: I have been here longer. I have seen as many people come and go as he has. And he is very free with his advice to us over here. Sometimes it is appreciated, sometimes it is not. But I must say to him in all seriousness that his undoing in these matters, his clouding of his points by bringing in personal references all the time really is his undoing.

The main thrust of his remarks so far as I was concerned was that I was too cautious; not enough information. Well, I only go back to April 8 of this year, and the first speech in the Legislature by the hon. member in relation to me, where all his references to me through his speech are full of such bon mots, for instance, as: "I think that Al Lawrence can be best described not only as the enforcer, but 'shoot-from the mouth' Al Lawrence."

Mr. Singer: That is right.

Hon. A. F. Lawrence: "Good old shoot-from-the-mouth Al," and so on. Well, there you are, you see. I can just say to the hon. member that I try to stop my tendency to shoot from the mouth and what happens? I merely get it then the other way.

I think we can proceed, Mr. Chairman, if agreeable, to go on with the other votes.

Mr. Singer: You sound like my wife.

Mr. Chairman: In just a moment I will call vote 901. I know that there are 14 different votes in this department to be considered, some of which can probably best be considered item by item, some of which can be considered as a whole.

Vote 901 has four different items. How do you wish to consider this? Item by item or as a whole? There is the minister, deputy minister, royal commissions, contribution to legal aid fund. Should we consider this as a whole?

Hon. A. F. Lawrence: Why not just call it carried, Mr. Chairman?

Mr. Chairman: We will call vote 901 and see how that works. The member for Riverdale.

On vote 901:

Mr. J. Renwick: I have just one comment. I am not going to be very lengthy on any of these matters tonight. I am going to speak to the minister and I think this is the proper vote to do it. I assume that he is the law officer of the Crown.

Hon. A. F. Lawrence: Yes, I am glad you emphasized that—not enforcer. At no time have I said "enforcer." I am afraid the young lady who was at the meeting in the riding of the Minister of Social and Family Services (Mr. Wells) somehow or other misconstrued "law officer of the Crown," and it apparently turned out in her book to mean enforcer, or something like that. At no time have I said "enforcer."

Mr. J. Renwick: Would the minister give consideration to delegating one or two of the lawyers—the able lawyers, of course, they are all able in his department—who have a specific interest in the field of pollution in all its aspects, to convene a small group of legal scholars from the universities and from the profession, for the purpose of starting to sort out the conceptions which have got to come in the field of pollution from the point of view of the adequate framing of statutory laws, and the adequate methods, through statutory laws, of achieving the results which we want?

I think the minister will understand that the difficulty which must face anyone attempting to draft an adequate statutory framework for pollution or environmental control is the lack of definition from a legal point of view, and a lack of distinction from a legal point of view of the various aspects that have to come under consideration. We all hear the rhetoric, but very few of us have any idea of the concepts which either have been evolved, or can be evolved, or perhaps the new language which can be evolved to expedite the process of getting adequate

statutory laws which are meaningful from the point of view of pollution control, or environmental quality control.

Hon. A. F. Lawrence: I would certainly agree with my friend that the laws and the precedents, the court decisions in respect of pollution on this continent, in any event, are pretty wild and woolly. This is a very real fact, no question about that. I really question whether as yet, even though a great deal of work has been done by some very conscientious people in our department and also in The Department of Energy and Resources Management in respect of this, we can hardly lay claim to any great amount of expertise as far as some of these matters are concerned.

The only way that they are going to be determined, obviously, is they are going to be in a whole series—throughout this continent I would suggest to you—of court applications of one type or another. Only in this way will the body of the law be built up and we will know really what we are getting into or what we should get into or how we should re-frame our laws.

However, I would be glad to give consideration to the matter. I will readily admit that part of the criticism of my friend from Downsview, in his rather personal remarks in relation to me and my thinking in this office, is correct in that since March 1, really, I find in this job I am always dealing with yesterday's crisis rather than attempting to plan to avert tomorrow's.

Of course, since we got into the session so soon after the cabinet shuffle, I really have not had time to sit down and plan some of the changes and set up the proper vehicle for some of the planning that I think we have got to get into for this new decade ahead of us. This is certainly a matter that I would be very glad to give consideration to.

Mr. J. Renwick: What I am really thinking of, Mr. Chairman, is simply a glossary of terms which ultimately would find its way into a definition section of any statute which would have some precision in meaning and some background in whatever the framework is. It would seem to me a special field, rather than leaving us in this amorphous field of waiting for court decisions and all of the rest of it to work themselves out.

A very special field of studies such as that, by a limited number of men such as that, might come up with a very useful glossary of terms if nothing else. We could begin to get some accuracy in the language which we use about the pollution problem. It would seem

to me that it may well be that the Law Reform Commission—not necessarily itself—could be asked to select the people, perhaps as a study group under the Law Reform Commission, to do this particular limited piece of work which I think is absolutely essential if we are going to begin to get any sense of clarity and assurance in our language about these matters.

Mr. Chairman: Vote 901?

Mr. J. Renwick: Mr. Chairman, I would like to ask the minister whether he has any specific limited comments about the legal aid programme at the present time? I do not want to enter into a long debate or discussion about it. I am thinking, for example, about whether or not he has any views on whether the fee structure under the legal aid plan is, in some way or other, stabilizing the legal fees throughout the province for particular services?

Whether or not he has any view as to whether or not, for example, the legal fees with respect to undefended and uncontested divorce actions established under the legal aid plan—I do not practise in that field myself; I believe from what my partners tell me it is about \$400 for an uncontested divorce action—whether he has any views about the level of fees? Whether he thinks in that particular field fees in excess of that are exorbitant? Whether he thinks that fee, as an example, is reasonable?

Has he any comments about what effect the legal aid plan is having after this number of years upon the administration of justice in the province, because it has ceased to be simply an adjunct now? I think it is having not a determining effect but certainly a very powerful effect on the legal administration of justice in the province.

Hon. A. F. Lawrence: No. I must admit that the opportunity has not really presented itself for me to sit down and do some thinking along the lines suggested by my friend. The only thought that has occurred to me—and it has occurred not just by virtue of the publicity that has appeared in the newspapers in respect of the divorce proceedings; it has also occurred to the Law Society itself—there may well be something wrong with the fee schedule in relation to the divorce as such and especially in relation to the aid presented under the legal aid plan.

I note, for instance, that in the civil side the average per case for divorce cases is higher than any other type of case in the

legal aid statistics that come to me. That in itself is a cause for worry. The programme committee of the Law Society itself is now studying exactly this problem, and I look forward to having a report from them in the near future. Other than that I would not want to say what the answer is. All I can do at this stage is say what the problem is and hopefully with their help there may be some answer forthcoming on the matter.

I think this is obviously indicative as well, when we see springing up commercial organizations of people who want to file papers on behalf of parties to the divorce matters. These are all indicative of an unrest and perhaps undue high cost in relation to divorce matters in this province. What the answer is as yet, I am not too sure.

I know one of the problems, of course, is the high cost and sometimes the delay of the official guardian of the court when there are children involved. Even though there have been suggestions that this be dispensed with, there still is a fairly good percentage of judges who will require the official guardian's report and who have indicated that they place a great deal of reliance upon it. It cannot be a matter that we can utterly reject the need for. It may be that we can mitigate it sometime, somehow, and in some type of cases. That would certainly reduce the overall average cost of the divorce case.

Again I do not want to prejudice any of these things. Legally, it is still new enough that I am sure that implications of the whole plan and the whole system are bubbling away beneath the surface right now. We have no idea they are there and they may not come out for a while.

I think the legal aid plan is settling down now as such into a well recognized and—I can say it because I had no part in setting it up—a well thought-out plan. There are still gaps in it; there are still services that are required; there may be extraneous services provided and delays as well. But, overall, I think it is working out. I am sure it is still too early to get some of the implications of it.

Mr. J. Renwick: I have just one other question. Does the minister's department get many letters or correspondence approving of the plan or against the plan? Is there any volume of feeling that comes through not to the area directors or the directors of the legal plan but to the minister's department itself?

Hon. A. F. Lawrence: We have set up a sort of filtered system of mail that reaches

the minister. I do not see any congratulatory letters at all; I just see the ones that have problems involved. Therefore, I am not the proper judge of these things. But in most cases—there are some people whom you can never satisfy obviously—but in most cases the problems are rectified on the appeal to the area committee in most of these things.

I cannot really remember very much correspondence at all in relation to matters that have followed the proper appeal steps. I do know, of course, that there are many people from other jurisdictions who come to study it here. Other provinces, as my friend knows, are now copying it and other jurisdictions as well. If imitation is the sincerest form of flattery, then I think we have a good plan.

Mr. Chairman: The member for High Park.

Mr. M. Shulman (High Park): Thank you, Mr. Chairman. I would like to ask the minister, first of all, about royal commissions. We have had a fair number of royal commissions under the auspices of the Attorney General's department in recent years. I wanted to ask him why—if I can get his attention—the problems which are exposed by the royal commissions are all too often not acted upon and the recommendations which they make are ignored.

I can think of two, off the top of my head; two different royal commissions that I happened to attend by chance. One was last year. It involved the Duke inquiry. At that time, the rather sloppy buying practices of the OPP were revealed. At the time, the commissioner indicated he was not going to change those practices and there has been no public announcement, if there has been a change. If there has, I would like to hear about it.

The other one, in which I know nothing has occurred, took place some four years ago in the Parker Royal commission which I also sat through—

Hon. A. F. Lawrence: Could we deal with these one at a time—

Mr. Shulman: Yes, sure.

Hon. A. F. Lawrence: —if it is agreeable to the hon. member, because I had anticipated that this would be coming up, perhaps in the last vote rather than in the first vote. But, certainly, this is a matter that has concerned me as well. I have asked for reports about remedial action and the report that I have been presented with indicates that, while the

purchasing procedures of the OPP were not specifically identified in relation to the complaints during the Duke royal commission, there were extensive questions of and the documentation of exhibits was necessary because of criticisms, perhaps levelled from other sources.

Since then, the position of a purchasing officer within the force has been established to centralize and control the overall purchasing function for the force, province-wide.

For instance, all office furniture is now being purchased through the central supply board of the Ontario Department of Public Works. Paper products are obtained from the same source.

Mr. Shulman: How about lawnmowers?

Hon. A. F. Lawrence: All stationery is purchased through the central stationery office, Department of Public Works. The services for specification improvement and the supply of goods from the central supply board are being utilized to the fullest extent. I have been assured that the utilization of these services will increase as additional supplies and equipment are made available for purchase through the board.

The tendering practices of the force have been reviewed and, wherever possible, tenders are obtained and considered to ensure tight control in this important area of the purchasing operation.

I must admit to my friend, and I do it frankly, that I forgot to ask them about lawnmowers.

Mr. Shulman: The major problem in the material that was purchased through central supply—I am delighted more is being bought through central supply—but the problem was the very peculiar tendering method used by the OPP in the things they purchased directly.

They would tender in a fashion. They would get local prices on individual items. If they wanted to buy, let us say, 20 lawnmowers around the province, they would get prices on individual lawnmowers from 20 detachments and then they would go to one specific firm, whose name does not come to mind at the moment, and would ask that one firm for a price on all 20. Strangely enough, that one firm was always able to give a lower price because it was bidding on 20 instead of on individual orders of one.

This was the basis of the rather odd system the OPP was using, and this really was what I think the commissioner and the

commissioner counsel and everyone else found most strange; and yet this was the practice that was defended by the commissioner and this is really what I am complaining about.

Hon. A. F. Lawrence: As I say, the tendering practices have been reviewed. I shall go into that matter once more to assure myself that those practices are not being continued and have not been continued. The utilization of the central purchasing board of The Department of Public Works, I must admit to the hon. member, does cause many problems sometimes as far as local communities are concerned.

I am sure if the hon. member speaks to his colleague sitting right now on his left, he will learn from him, for instance, that when we attempted to do this in the provision of office furniture for The Department of Northern Affairs, when we set up a Northern Affairs office, the first persons who complained were the local people who were saying: "Why are you doing this?"

Mr. Shulman: No, no. I have no objection to your buying locally. I object to your not tendering.

Hon. A. F. Lawrence: But the problem is, of course, that the central supply is in the south here and the large urban areas always have an advantage under that tendering system. Now sometimes you attempt to weaken it in the interests of equity, hopefully, and tie it in with a service contract. This is one way of attempting to equalize these matters, but again this does not always work and invariably where there are attempts at it, as I say, the first people you hear from are people who are known better to my friend than to me.

Mr. Shulman: Let me say I am not objecting to local buying. I want to make that quite clear.

Hon. A. F. Lawrence: All right. I understand.

Mr. Shulman: The other example, if we can go to the Parker royal commission, is really just a foolish example because it could have been cleared up years ago. It came out at that commission that in every case of cremation a double coroner fee had to be paid. That came out in the Parker report. At the time, I asked the then Attorney General if he would bring in an amendment to fix up that little waste of money, which amounted to some thousands of dollars a year, and he

said he would. That was four years ago and we are still waiting.

The problem is that under certain circumstances a coroner must be called and the fee is paid by the province; I believe it is \$25 plus mileage. Then if the family decides it wants a cremation, even though a coroner has already investigated the case, once again a coroner has to be called—often a different coroner, although it can be the same one—and again the fee is charged, this time to the family.

Well that is just a waste of money. All you need is an amendment to your Act saying that if a coroner has already investigated the case you do not have to have a second coroner investigate all over again. We went through that at the royal commission. We went through that publicly and then in the House, but still no amendment. Would the minister care to comment?

Hon. A. F. Lawrence: I must admit I am not prepared to debate the matters referred to in the Parker commission here, either tonight or perhaps even all during these estimates. My friend will appreciate of course that the Law Reform Commission did bring in a report on the coroners, which I have already indicated will result in a complete revision in respect of the powers, the duties, the functions, and the fees payable.

Mr. Shulman: They did not mention that point.

Hon. A. F. Lawrence: Well this is a two-pronged effort in any event, because in my opening statement I did indicate that there is a study taking place here now which will result in a complete revision of the whole fee structure relating to all of the services of the department and the outside offices. Undoubtedly my advisers have had this matter drawn to their attention before, and if they have not, I am indebted to my friend for bringing it to their attention tonight.

Mr. Shulman: Mr. Chairman, I would like to ask the minister if he has considered holding a royal commission on the problem of organized crime?

Hon. A. F. Lawrence: Well the hon. member asks, have I considered it? I am learning in this office that you always have to be aware and concerned about this matter today more than ever, and I do not mean by that that we are losing the battle by any means. I think today, where communication is so swift and instantaneous, and travel is so easy

and acceptable, obviously the dangers and the implications of internationally syndicated crime, rather than organized crime—any crime has to be organized, so I think the terminology is wrong—but internationally syndicated crime is on us more than ever before.

Obviously one of the many weapons in the arsenal of an Attorney General is a royal commission, so this always has to be a matter in the back of any Attorney General's mind. I would hate to say that I have considered this, however, because quite often that gets misconstrued to mean that there has been some realistic discussion of the pros and cons about whether or not we should hold a royal commission. I do not think, on the information that has been presented to me in any event, that a royal commission right now in relation to internationally syndicated crime is the best way of attacking the problem.

The way of attacking the problem is by the matters that I hope we are pursuing right now—more and better intelligence units; more and better training of the police forces; more and better facilities to them for learning and gauging and gaining information; more and better co-operation with other jurisdictions. And in many cases taking the initiative ourselves for matters that sometimes even do not relate—that is the direct problem—to this problem. These are the ways, I think, that at the moment anyway, can best be utilized to win the battle. I am not saying we are winning it. I am also not saying we are losing it.

Mr. Shulman: Have members of the Ontario Police Commission recommended within the last 14 months that such a commission be held?

Hon. A. F. Lawrence: I had better put it this way. There has been no recommendation to me since March 1 along that line. I am firmly convinced that if any recommendation had been made by them to my predecessor, I would have heard about it and I have not heard.

Mr. Shulman: Then, let me try again. Would the minister be willing to call up Messrs. Lee and Thurston and ask if such a recommendation was made to his predecessor directly, or through the deputy who is whispering valiantly to you at the moment?

Hon. A. F. Lawrence: I know now what the hon. member is referring to. No, I can say that the Ontario Police Commission has

not made any recommendation to the Attorney General over the last 14 months. There may have been employees of the Police Commission who might have made recommendations to the Police Commission about it. But that advice, if it was made, was obviously rejected because no such request has been made of the Attorney General by the Police Commission.

Mr. Shulman: Is the minister quite satisfied that no such request was made?

Hon. A. F. Lawrence: I am satisfied that no request has been made of me. I shall interrogate members of the Police Commission before I go home tonight to find out if the Police Commission itself has made any such recommendation to my predecessor.

Mr. Shulman: Fine. I will come back to that at a somewhat later time. I would like to make a suggestion to the minister, through the Chairman. In New York State there is a permanent commission—not a royal commission, because they do not have royal commissions—which corresponds to our royal commission on this problem of syndicated crime, which brings out an annual report. If we are to believe the Attorney General of that state, and I do, this sitting permanent commission and the annual report it brings out and the annual public hearings which it holds into various problems of syndicated crime have been responsible for cutting that particular type of problem significantly in that state.

I am sure the minister has seen the reports it puts out. Has the minister considered setting up such a type of royal commission here, or would he consider setting up such a type of commission?

Hon. A. F. Lawrence: I must be cautious in what I say here now because there has been a number of ideas floating around in my mind of, I would hope, better procedures and better ways in which we can co-ordinate the attack on internationally syndicated crime, better even than we are now doing.

I will be frank with the House, though, and say that I have not discussed these with my advisers.

Over the last three months, I sincerely have not had the opportunity to do so, because I have not really formulated some of these ideas in my own mind. I am hopeful, though, in seeking their advice and their experience in this matter that there may be newer and better ways and procedures evolved than we have developed so far as

our department and the Police Commission and our overall attack on this matter are concerned. But I certainly would not believe that the experience of New York State is particularly one that should be emulated here.

Mr. Shulman: I was not suggesting we emulate their crime experience.

Hon. A. F. Lawrence: No. I know you mean their procedures. That type of organization, I do not think, would help us here. I am quite willing to learn more about it. I know a little bit about it—perhaps not enough—but I cannot see that that type of organization really would fit in here with what I think some of the needs may be. Also, of course, the proof of the pudding is in the eating. Their procedures there, if you want to look at the results, as you have indicated, are not particularly ones we want to copy, in any event.

Mr. Shulman: Of course, they have problems that we do not have. I would like to ask the minister if he will rescind an order issued—I am asking this under the minister's salary—by his predecessor last year.

Every summer, for the last two summers, I have had some dozen-odd university students and high school students who have been working for me as volunteers, not in a political way, but in, I hope a public-spirited way, copying a certain American gentleman who has been doing something of a similar nature for some years. Last summer they decided they would look into the problem of illegal bail bonds in this province and they went down to see what we presumed were public documents, that is, the bail records of The Department of Justice at the city hall, and to see basically who put up bail, how often, how much they put, and whether or not it was mistreated.

The Attorney General at that time issued instructions that they were not to be allowed to see any of these records, even though they are not secret. They have all been read in court. In any case, anytime someone gets bail, of course, it is announced publicly. I would like to ask the minister if he will rescind that order, because it is, in my opinion, against the public good to try to keep these things secret.

Hon. A. F. Lawrence: I have not heard of this problem before. It has been suggested to me that the departmental files are distinct from the public files.

Mr. Shulman: I am not interested in the departmental files. These are public files which have been sealed.

Hon. A. F. Lawrence: Let me take this matter under consideration.

Mr. Shulman: Inasmuch as I have the students only until the end of August, can the minister indicate when he will be taking it into consideration?

Hon. A. F. Lawrence: Yes.

Mr. Singer: Before the end of August, yes.

Hon. A. F. Lawrence: Co-operate in getting the estimates through and that will give me more time to take a look at it.

Mr. E. W. Martel (Sudbury East): That is called blackmail.

Mr. Shulman: That is really not too satisfactory.

Hon. A. F. Lawrence: I know.

Mr. Shulman: I am sorry, I did not hear the minister's comment.

Hon. E. A. Winkler (Minister of Revenue): Which one is blackmail?

Hon. A. F. Lawrence: I am being a little bit facetious. I would hope that, within a couple of days after the House rises, I would be able to look at this and a number of other things that are quite pressing.

Mr. Shulman: I would like to ask the minister without acerbity, if I may—

Hon. A. F. Lawrence: Without asserting what?

Mr. Shulman: Without acerbity, a-c-e-r-b-i-t-y, mildly and gently, if I may. I want to go back again to an exchange that we had in the House back on May 7 about the Francottie case. I do not want to discuss the Francottie case in any way. There is no point. It was settled very well. The minister, I think, handled it very well at the time, but what does disturb me very much is the comment he made in the House on May 7.

The question I asked was: "Would the Attorney General agree that there should perhaps be a change in policy so that this type of case will be compensated in future?" The type of case, of course, is where a man is in prison and subsequently is found not guilty.

He cried, "No, I am not willing to agree to a blanket general endorsement such as that."

That comment of the minister has upset me somewhat because I was hoping what he would reply was, "Yes, it may take time because of financial requirements and Treasury board problems to bring in such legislation." This reply I can accept, if it takes one year or 10 years, if I know you want to do it, but if you do not agree with the endorsement that the innocent who have been punished should be compensated, then you and I are going to have a very difficult time.

Hon. A. F. Lawrence: Yes, the question was:

Would the Attorney General agree that there should perhaps be a change in policy so that this type of case will be compensated in the future?

Well, the future is, 15 minutes to 10, eh?

Obviously I think this is the general—I hate to use the word because I have been told many times that I overwork it—but this is the general thrust of the direction in which we are obviously going. I think we have bitten off a pretty big bite of the apple right now in relation to our compensation for injuries in relation to victims of crime. It may well be in the future that, as we get going and as the matter keeps widening, that we will be getting into that type of thing. But to talk about, you know, just bluntly, "Is the minister willing to endorse that type of policy?" I am quite willing to admit that I might have been overly cautious in my reply that day, because I do believe that eventually the state will be moving along that line of compensation. But at—

Mr. Martel: Surely this is basic?

Hon. A. F. Lawrence: —the moment we are certainly doing what we can in relation to compensation for actual physical injury, and at the moment I cannot see us changing that for a while until we have properly digested that fairly large bite of the apple.

Mr. Shulman: Mr. Chairman, I would like to suggest to the Attorney General that perhaps the compensation of the innocent who have been sent to jail by the state is even more important than the compensation of the innocent who have been hurt by criminals. Because in the one case, we are innocent bystanders—certainly if people have been

damaged by crime, they should be compensated, I do not quarrel with that in the slightest. I was one of those who supported it before the minister did.

But surely when we are not the innocent bystanders, when we as a government are responsible—and you and I are responsible to the Francottie case just as much as the people at lower levels in the case—surely as a part of government we must accept that responsibility. Surely, where we were playing an active part, instead of just being bystanders, that type of injustice deserves compensation even more.

The other point is that there are so few of these cases. There cannot be—thinking back in my memory, I cannot think of six over these years.

Hon. A. F. Lawrence: There are more than that.

Mr. Shulman: Let us suppose that if there were compensation, there would be more, agreed. But if there are a dozen a year, or two dozen a year, the amount of money involved is going to be infinitesimal in comparison to your other programme.

The programme where you are compensating people who have been hurt physically often involves large sums of money, because they can no longer work again. This type of programme will involve much smaller sums of money, because you are only going to be paying compensation for actual out-of-pocket loss of time and money. So it is not another huge bite, such as you took before, it is a very tiny bite.

I would hope that the minister—let me rephrase it—I would hope that a forward-looking minister would be getting up now and saying: “Yes, that is the sort of thing we should do. I hope to bring it in soon, perhaps next year.”

Mr. Martel: It is justice.

Mr. Singer: He will not be here next year.

Mr. Shulman: Well I would like him to say he is going to bring it in if by some chance he is here next year. Although I suspect next year he will be the head of the Conservative party in opposition.

Hon. Mr. Winkler: Dreamer! The hon. member is a dreamer!

Mr. Shulman: In any case, if he is here next year as the Attorney General, I would like to feel—

Hon. Mr. Winkler: Back to your story book.

Mr. Martel: Call the election.

Mr. Shulman:—if his heart is truly as he indicates it is, and if he really believes that this is a thrust in which we must go, at least give me this much: Set some of your people to work to do a study of how much it would cost. If it turns out to be as small as I suspect it will be, perhaps less than 10 per cent of what you are paying on the other programme, then let us have some—let us put it this way. If the cost turns out to be reasonable, give us an assurance you will bring it in.

Hon. A. F. Lawrence: The business of setting policies today in government is not that simple. The business of setting policy in government today, more often than not, is the choice of alternatives between what priorities should be.

Mr. Martel: But when you furnish a ban on justice—

Hon. A. F. Lawrence: I am prepared to discuss the thing intelligently, which means I am not prepared to discuss the thing with the hon. member for Sudbury at the moment.

Mr. Martel: Sudbury East.

Hon. A. F. Lawrence: Sudbury East.

Mr. I. Deans (Wentworth): That is not called for.

Hon. A. F. Lawrence: The question really, when choices are presented to you, is along which avenues you should go. The judgement decision was made before my time, although I am not saying that in any way to escape any responsibility of mine, because I think if I had been in that position in those days I would have made the same decision; that the initial crucial need in any event was to compensate people who had been physically injured as the result of criminal activity.

Mr. Shulman: No one is quarrelling with that.

Hon. A. F. Lawrence: My friend says that that decision was wrong and instead we should have gone along the other—

Mr. Shulman: Oh no.

Hon. A. F. Lawrence: All right. Now, what he is saying is we should have done that

and this. I am saying that that decision was made—

Mr. Deans: It should have happened years ago.

Hon. A. F. Lawrence: —and at the moment I endorse it heartily; that we have got enough to do on that way. In time I am hopeful, certainly, that other matters can be brought in, but it is a much more difficult thing when you start dealing with matters that do not pertain to easily assessable injuries to people. You get into such nebulous matters as why did not the accused himself, for instance, testify? Just what matters are you going to compensate these people for? Is there really a recognition that a finding or that an acquittal does not necessarily mean a complete blanket approval of an individual's actions?

There are all sorts of matters that would concern one in setting up that type of system, and I am hopeful in the long run that this type of thing will be coming about. I am saying, when priorities are presented to you, when there are very real strictures, as I indicated in my opening few brief remarks, presented to one in relation to the taxing ability of this province and the funds that are available, that you move along one line and take one bite of the apple at a time. We are presently digesting that bite, as I said, and once we get that in shape and get that moving it is certainly a probability that we would be moving along other lines.

Mr. Shulman: Just one final word on this, if I may, Mr. Chairman. This is not a new idea, it has been done in West Germany successfully and at little cost. I was not suggesting that it would be difficult or hard to assess cases where someone did not get up in his own defence to be compensated.

But there are certain clear-cut cases. The Francottie case is as clear cut a case as you will ever get, where a man served time in jail. Subsequently, the evidence was clearly such that the judge threw the case out.

Now, there are cases like that. The cost is low. Other countries have done it and have also brought in the same type of legislation. Germany precedes us by some years in both types of legislation, and they have not found it a terribly expensive or difficult thing. I agree with the minister, it is a matter of priorities. But surely this is one priority that should have more importance, I think, than another lane on Highway 401.

Hon. A. F. Lawrence: Another what?

Mr. Shulman: You can do this whole programme for the cost of one-mile widening of the 401 by one lane, which we do.

Hon. A. F. Lawrence: But you do not get the gasoline tax.

Mr. Shulman: And that comes down to the matter of priorities.

I wish the minister had not said that, I really wish he had not. I am sure he is joking, but I would like to see him go into Treasury board and fight for this type of thing, because it is such a damn small amount of money and it is dear to the hearts of a lot of people on all sides of the political spectrum.

I want to remind the minister, just in finishing this off, that this idea was brought up here in this country by a leading Conservative—Arthur Maloney. It was drawn up by him and his associate in the form of a bill, which I passed on to the minister, and he came to members of other parties so it would be brought forward on a non-political basis. I am really sorry that we have to discuss it this way because this is certainly not going to win any votes for the Conservatives or the Liberals or the NDP, or lose any votes for anybody.

It is not the sort of legislation that makes that much difference. There is not the sort of money involved that makes that much difference. So let me suggest to the minister—and I will stop now—if perchance he is the Attorney General next year, he will please me by bringing in that legislation.

Hon. A. F. Lawrence: By no means am I rejecting the concept, that is as far as I will go. I do point out, however, that the judicial system in West Germany is quite different. There are matters there where an acquittal is equivalent to, in a finding of the court—

Mr. Shulman: Not necessarily.

Hon. A. F. Lawrence: Well, if that scheme is to be applicable to it, I think my hon. friend will find it is applicable to that type of acquittal. The bill that was suggested we found—and we certainly studied it, found it quite interesting—the bill that was suggested by my friend we really found was far too general and far too broad for any discussion for our purposes, starting at square one which would be expanded into the type of programme. They certainly were looking at these things, but that bill was not too much help to us.

Mr. Chairman: The hon. Leader of the Opposition.

Mr. R. F. Nixon (Leader of the Opposition): Thank you, Mr. Chairman. The Attorney General's answers to questions over the last few weeks pertaining to offtrack betting have been unsatisfactory.

Hon. A. F. Lawrence To whom?

Mr. Nixon: To myself. He has usually conveyed with his answer either some sort of an arch reference to the fact that the Minister of Justice for Canada is sworn into secrecy, or some complex arrangement which meant that he really could not be frank with the members of the Legislature as to what the government intended to do.

From our point of view, it appears that the Attorney General, speaking for the government, has made some direct and specific request of the government of Canada. We infer that it is a request that the Criminal Code be changed to permit offtrack betting in this province, that is offtrack betting without the sum being bet having to be placed as a wager at the track. But the Attorney General has never, in fact, said that is so. He has simply said he has made recommendations to the Minister of Justice for Canada.

Mr. Singer: Verbal and in writing.

Mr. Nixon: Verbally and in writing, I am prompted by my friend to my right here. On the other hand—

Hon. A. F. Lawrence: No, my friend brought that matter up—

Mr. Nixon: You do not want to be Bourassa-like?

Hon. A. F. Lawrence: No, I indicated it was at and since Victoria, and I tried to correct him last night, but he was so engaged in—

Mr. Nixon: All right. The fact remains though that the offtrack shops which do take a bet and then transfer the funds—the money—to the track to be placed, are proliferating in number. I think there are about 43. One has been opened up in Brantford, for example.

Hon. A. F. Lawrence: In Brantford?

Mr. Nixon: Yes, this is a tremendous breakthrough. But the point, Mr. Chairman, is that these places are becoming well estab-

lished, and the government of the day, through its lack of an announced policy, is letting them become established so that it will be extremely difficult for the government, it may be extremely difficult for them, to take a position other than simply—what will we say—formally establishing them in what they have carved out for themselves.

Maybe what they are doing is fine. There are many concerns of people. We on this side feel that offtrack betting has got to be established on a legal basis and with very strict government oversight—in my view, government operation.

The point, however, is that the Attorney General has not been frank with the members of this House for reasons which are not apparent. If he has got some agreement with the Minister of Justice that we have got to wait for federal legislation, or federal pronouncement, then I suppose he can tell us that pretty specifically and we will have to wait; but the pronouncements from Ottawa have been that the federal government is waiting for the provinces to express their wills so that The Criminal Code can be adjusted in such a way to meet the needs of the various provinces.

Meanwhile the threat, at least of the encroachment of syndicated international crime rather than organized crime—and I was listening to the Attorney General when he drew that distinction—is probably thrusting into this province through that particular avenue as much as through any other, and it appears to me that the longer government policy is delayed in its enunciation the greater the threat from this source.

I wonder if the minister could make a statement at this time that is more specific and more informative than we have been treated to in the past?

Hon. A. F. Lawrence: Well, I am glad to hear the views—I do not say that in any mean way—I am glad to hear the views of the Leader of the official Opposition in this respect. I find that there is a long-standing tradition, one that I certainly understand and certainly intend to respect, in the closeness of the office of the Minister of Justice at Ottawa to the Attorney General of Queen's Park, that when a letter is written to one, specifically from the Minister of Justice at Ottawa to the Attorney General, and if the Attorney General replies, these are not particularly matters that should be released even though they do reflect perhaps the opinion of the government of the day.

But I shall certainly undertake to my friend if he feels that there is doubt in respect of our position, I have been attempting to indicate our position without actually saying what it is, but I do not—

Mr. Singer: How do you do that?

Mr. Nixon: Why do you not just say what it is?

Hon. A. F. Lawrence: The less dense among us have been able to read between the lines.

Mr. Nixon: I would like to read the lines.

Hon. A. F. Lawrence: All right. You want a statement? You will get one very shortly.

Mr. Nixon: Mr. Chairman, this is precisely what we have been treated to for a good long time. Now, you say that there is some sort of special confidence. Obviously you have got to be able to communicate with the people in other jurisdictions, and particularly the Minister of Justice for Canada, in confidence and with confidence that it will be respected, but can the Province of Ontario not come to a position and say: "This is what we have requested from the government of Canada"? I mean, if the Minister of Justice has said: "We are going to act on this sometime, maybe later in the year," fine, if he even wants to keep his position confidential. But the public position of the government of Canada is that it is waiting to hear from the province.

Hon. A. F. Lawrence: Has that been the position of the Minister of Justice at Ottawa lately?

Mr. Nixon: Lately?

Hon. A. F. Lawrence: Yes.

Mr. Nixon: He has not said anything about it lately.

Hon. A. F. Lawrence: Well, I mean when was the last time he said that?

Mr. Nixon: Certainly, Mr. Chairman, in answer to—

Hon. A. F. Lawrence: The last time that appeared in the press, I got an apology from them.

Mr. Nixon: You got what?

Hon. A. F. Lawrence: I said the last time that appeared in the press, there was an apology about what appeared in the press.

Mr. Nixon: To you marked "Confidential".

Hon. A. F. Lawrence: The government of Canada certainly knows what our position is and has been.

Mr. Nixon: The members of the Legislature do not.

Hon. A. F. Lawrence: The view of my friend obviously is that the general public of this province and in particular the members of the Legislature should know what the position is. All right, that will be rectified within hours.

Mr. Nixon: In hours?

Hon. A. F. Lawrence: Hours.

Mr. Nixon: All right, I guess we can buy that.

Mr. Singer: No, I do not want to buy that.

Mr. Nixon: All right. The member cannot buy that.

Mr. Singer: I do not want to buy that.

Why, 13 months later, is the minister not prepared to take us into his confidence? This is no great secret. There are two or three or four ways in which he can go. Why can he not be honest and frank with the people of Ontario and stand up and say what position the government has? Does he believe in letting it go as it does? Does he not believe what the Jockey Club has established by its tests, what a radio station has established by its tests? Does he not believe the police evidence of the RCMP, of the OPP, of the Metropolitan Toronto Police, that this is an open invitation to organized crime to come in here and take over? Does he not accept the evidence that the Province of Ontario is being deprived of hundreds of millions of dollars in legitimate revenue, because this operation is being carried on in defiance of the laws? Does he not have the guts to get up in this House and say what his position is?

I will tell you that in my most recent conversation with Mr. Turner, in my personal conversation before Victoria, he said, "We have never once had an expressed opinion from the Attorney General of Ontario." I do not care whether he apologized to the minister or not. That is what he told me, and I believe him. I think that the Attorney General has a duty and a responsibility that he is sloughing off. He is not listening to his advisers.

There must be something deeper in this than meets the eye, because if he is not prepared to listen to his police advisers, the Police Commission, the senior Ontario Provincial Police officers, the RCMP, and all of the investigations that have gone on, then there is something that smells in the state of Denmark, and it happens to be in the state of St. George. I suspect his motives and unless he has the guts to get up and say what his position is, those suspicions are going to continue, and we are going to talk about them from one end of the province to the other.

The Attorney General has a duty and a responsibility to tell us what his position is, and if he sloughs off that duty again, as has been done for 13 months, then he is avoiding that duty and he is avoiding his responsibility as an important member of this government.

Hon. A. F. Lawrence: I am chagrined—

Mr. Singer: The minister bloody well should be.

Hon. A. F. Lawrence: —to find that the Minister of Justice at Ottawa would speak about such matters to my hon. friend.

Mr. Singer: You can be as chagrined as you want. Ask him.

Hon. A. F. Lawrence: That is No. 1. No. 2. I say to my hon. friend that the form in this aspect of the law is not being held up by any means by those who can change the law by any lack of knowledge of what our position is. Other than that, it is not my position to go any further tonight, but I can promise the House, in the light especially of what my hon. friend said tonight, that I would feel no compunction whatsoever in making sure that there is a statement very shortly on behalf of the government as a whole about this matter.

Mr. Singer: Mr. Chairman, why can the minister not make the statement during the course of his estimates? Surely this is the time and this is the place where the statement should and must be made—

Hon. A. F. Lawrence: Not necessarily.

Mr. Singer: —if Ontario has a position, if this government is prepared to assert a position which may, in fact, be at variance with the position of some of the other provinces which, I suspect, do not have the kind of interest that the people of Ontario have. I do not know how many betting shops there

are in the other provinces, but there are in excess of 300 here in Ontario operating today—not 30. I think my leader was wrong in that figure. There are in excess of 300, if the information I get from certain police sources is, in fact, correct.

Hon. A. F. Lawrence: It is wrong.

Mr. Singer: If the minister will look back to the remarks that I made in June, 1970, he will see a carefully documented dissertation on what, in fact, was happening, and that dissertation was put forward after very substantial and extensive research after conversations with most knowledgeable and senior police officials, after conversations with people who know the gambling business inside and outside, after conversations with people who know the racing business inside and outside. That series of comments has sat on the record for over 13 months, and the present minister and his predecessor have shilly-shallied with this problem for all of this time. This illegal and improper establishment has become part of the Ontario scene; it gets more firmly established as days go by. The later the action is delayed the harder it is going to be to take any positive action.

If Ontario has a position and the government wants some rallying of public support behind a reasonable and sensible method of control, then surely the way to do it is to make it public and to make it public immediately and now, in the minister's estimates. I cannot think of any greater abnegation of his responsibility as Attorney General than to stand up and say, "I cannot make any statement now, but maybe within a few hours I might." What is the matter with those people? Have they no guts? Have they no courage? Have they no position? Have they no thoughts about anything

Hon. A. F. Lawrence: Let me clarify what I said. I did not indicate that I would be making any statement.

Mr. Singer: Well, who is going to make a statement? Anybody?

Mr. D. Jackson (Timiskaming): How are we going to know in a few hours?

Hon. A. F. Lawrence: It will come to you like a flash of lightning. Zap!

Mr. Singer: Well, Mr. Chairman, I can only say that the minister's phoney smile—and I am afraid it is reduced to that on this issue—is certainly no answer for an avoidance of his responsibility as Attorney General of

this province. If he wants to continue to invite criminal elements to dig themselves into a position where the police are almost without a weapon to get after them, then the Attorney General is certainly proceeding in the right way. He must know, as I do, the hundreds of thousands of dollars that people in this community have invested in this illegal business and the way it is being carried on.

Hon. A. F. Lawrence: I have always known.

Mr. Singer: Every hour that it goes on, these people are further and further entrenched, and in the absence of any authoritative position being taken by the Attorney General insofar as working to change the law is concerned so that we in this province can bring this system under some reasonable method of control, then the Attorney General is avoiding his responsibility as the senior law officer of the Crown. I think it is absolutely inexcusable and this kind of thing is what is going to hound this government to its inevitable defeat.

Hon. A. F. Lawrence: Does the hon. member sincerely and honestly believe that we singlehandedly can change The Criminal Code?

Mr. Singer: I would say—

Hon. A. F. Lawrence: Do not be scared.

Mr. Singer: All right. All right. I would say this: If Ontario has a reasonable position and it enunciates it in a public way, the Minister of Justice in Ottawa and his colleagues, who I think are reasonable people, will pay very close attention. But in the absence of any publicly stated opinion from this province when this problem exists—probably it is the only province in Canada where it has reached these proportions—then why should the government in Ottawa act? There has been no agitation from Attorneys General such as this one to change the law. Why should the Minister of Justice act until there are representations? Why should he act until public pressure is brought to bear? The Attorney General is not bringing in any public pressure to bear at all.

Mr. Chairman: The hon. member for High Park.

Mr. Shulman: A different subject, if everyone is through with this one.

Hon. Mr. Dunlop: Hear, hear!

Mr. Shulman: I would like to say to the minister through you, Mr. Chairman, that some three or four years ago I raised the problem in royal commissions of persons who become innocently involved—I am thinking at the moment particularly of someone like Magistrate Gardhouse—who go through considerable problems, expense and so forth and subsequently are found innocent, and I use the word advisedly. At that time, I asked the Attorney General if the expenses of such persons should not be paid by the government?

Hon. A. F. Lawrence: I had to ask for a reminder about the Gardhouse-Bannon commission. I had forgotten about it. Bannon, of course, I remembered; Gardhouse I did not. While I was asking my advisers to remind me of those circumstances, which they now have, I missed the final—

Mr. Shulman: The point I was trying to make was when an individual under those circumstances such as Magistrate Gardhouse was, becomes involved in a royal commission with considerable personal expense amounting up to many thousands of dollars for legal expenses. Should the government not compensate him? In other words, should there not be a bill—I guess we are back to the same principle again, except that royal commissions are very rare birds, thank goodness, in this province, there are not too many people who get involved in very many of them—but if a person is involved in one, such as he was, and subsequently it turns out he was involved quite incorrectly—

Hon. A. F. Lawrence: Oh, now.

Mr. Shulman: Well, he was quite innocent of any wrongdoing.

Hon. A. F. Lawrence: Did they not find that he was at least guilty of an indiscretion?

Mr. Shulman: No.

Hon. A. F. Lawrence: I thought they had.

Mr. Shulman: I think not.

Hon. A. F. Lawrence: I will check into that.

Mr. Shulman: In any case, the point I am making is that when any person is found completely honest, should he not be compensated? I think if you will look into this case you will find there is absolutely no criticism of him whatsoever. What does the—

Hon. A. F. Lawrence: I am again glad to have the views of the hon. member. I am not going to announce any deep change in that policy that we already have established tonight; I think we have already been through that.

Mr. Shulman: It is a somewhat different situation in that this is—

Hon. A. F. Lawrence: Well not really, is it?

Mr. Shulman: Again, it is a matter of government involving a person in—it is a different aspect, but it is government involving a person, sometimes through a quite marginal relationship to the main affair, in a royal commission and these damned royal commissions go on and on and on and you lawyers charge incredible sums of money to sit on them.

Hon. A. F. Lawrence: Yes, but you members of the Legislature demand them. Did you not just sit down a moment ago after asking me about a royal commission?

Mr. Shulman: Yes, but this was a somewhat different thing that I was asking for. And again, in that type of royal commission if a man turned out to have been called in and he was innocent of any wrongdoing he should be compensated for his legal expenses. I do not think this is unreasonable. Will the minister agree with me on that?

Hon. A. F. Lawrence: No, I will merely say at this stage that I am glad to have the opinions of the hon. member.

Mr. Chairman: Vote 901.

Mr. Singer: Mr. Chairman, I wonder if the Attorney General is prepared to clear the air a bit on the involvement of that sinister element in the paperback book trade and clear up the rather confusing answer that emanated from himself and his colleague, the Minister of Financial and Commercial Affairs, which finalized in the House one day with both of them answering the same question at the same time and one saying "yes" and one saying "no"?

What was the implication in the Rohmer report and what was the reason for the great rush? Was there an involvement of syndicated crime? Was there a fear of this? Was that the reason for the rush? Or does the minister feel we have no right to know?

Hon. A. F. Lawrence: I thought that matter was explained to the satisfaction of everyone

who was within hearing distance on the day that I was asked about it, in any event, in relation to the answers which were given in this House.

I think the hon. minister from Sault Ste. Marie got involved in a double negative question asked by the leader of the NDP which he was quick to acknowledge and which the questioner was quick to acknowledge.

What aspect of it did my friend not understand? I would be glad to repeat it.

To the best of my recollection the haste in bringing the bill forward at the request of the royal commission was in relation to certain commercial transactions which were pending at that time. I think that was indicated, even though I was not in the House; I was in Victoria. I think that was indicated by the hon. ministers.

That was the main reason for the haste at that time, as well as a growing awareness of a concentration of the control of these matters, not only in American hands but in the hands of a small group of Americans. When asked in this House and elsewhere I indicated that a factor in it was the potential that did exist for criminal elements to then play a part in the distribution business. And I indicated that certainly this concern was a factor in my recognition of the problem and in my advice to the government when the matter was approved.

We can all envisage the vehicle that the small variety shops and the small bookselling stores would present for illegal betting practices, for such things as drug distribution, apart altogether from an existing threat in relation to pornography and to all printed matter that some of us at least may believe should not be distributed. I said that it was a factor in a potential threat.

I also indicated in the House that I had no present knowledge then of actual criminal control in relation to those people who were garnering control of this business. The main thrust of the action was really the economic position, that the government did not believe that control of these matters should continue to expand as far as foreign control is concerned and that foreign control should be concentrated in the hands of one or two individuals.

Mr. Singer: Well, the minister thinks—

Hon. A. F. Lawrence: What parts of that does my hon. friend not understand?

Mr. Singer: Well, the minister thinks he is a great foot dancer and he can give out half-sentences, half-meanings and half-innuendoes—

Hon. A. F. Lawrence: No, I am a pretty lousy dancer.

Mr. Singer: —even to the point tonight where, apparently choosing his words most thoughtfully, he said, “To my knowledge there is no positive evidence of the infiltration of organized or syndicated crime into this, but there is a possibility.”

Hon. A. F. Lawrence: I said the potential—

Mr. Singer: This kind of statement that has been made by him and his colleague, the Minister of Financial and Commercial Affairs, and the rather peculiar clause in the Rohmer report to the effect that they anticipate some difficulty in getting the people before them that they might choose to solicit evidence from, raises these questions in a very important and impressive way.

Very simply, I ask the Attorney General again, as I did last night or earlier today, and as I did during the course of the questions I directed to the Minister of Financial and Commercial Affairs and subsequently again: Is there any feeling in the minds of the Rohmer commission that there was a threat, possible or real, of the infiltration of organized crime into the industry that comprises the handling and production of paperback books? Now that is the question.

The Rohmer commission obviously had more information available to it than it chose to set out in its report. Obviously the Minister of Financial and Commercial Affairs had more knowledge than he was prepared to tell the House. Obviously, listening again to the Attorney General this evening and listening to the way in which he so carefully chose his phrases, he has more knowledge than has been made available to us.

I ask him very simply: Is there more about the possible involvement of organized crime into this industry than we had been told about? That is simple enough.

Hon. A. F. Lawrence: Well, talking about fancy footwork and throwing dodgy phrases, the hon. member chooses to use the words, “a threat of organized crime.”

Mr. Singer: Yes.

Hon. A. F. Lawrence: The phraseology I use is that a factor in the decision was a

very real danger, which I recognize, that such foreign control, centred, concentrated in the hands of a few people, certainly is a potentially dangerous position in respect of this type of industry. The member happened to use the words, “threat of organized crime.” I am saying, and perhaps we are saying the same thing, although I happen to like my own phraesology rather than his fancy footwork as well; I happen to like the phraesology that a factor in the decision was a potential danger of this concentration of control falling into the hands of those who would use it for criminal purposes rather than legitimate purposes.

Mr. Singer: Perhaps we are getting this reduced to terms that maybe both the Attorney General and I can understand. What is the significance of the words, “a factor”?

Hon. A. F. Lawrence: Just exactly that. The major factor was the economic one—a factor. When I was asked my opinion about it, I certainly indicated that, due to that potential danger, I thought that the legislation was good.

Mr. Singer: To the extent that the Attorney General formulated his opinion that this was a factor in the decision, would he be prepared to take the people of Ontario into his confidence and tell us what evidence came before the Rohmer commission, that obviously is not included in its report, that indicates that this is a factor at all?

Hon. A. F. Lawrence: I am just going over in my mind the information that has been presented to me. That, as far as I know, is all of the information that has been presented to the Rohmer commission. All I have been able to conclude from that is that there is a potential danger; that is all—not a present threat, not a present use, not a present control by criminal elements at all, but a potential danger. I do not know how clearer I can get than that.

If the member is asking me to release him and to the House and to the public confidential police information and reports and records that have been garnered from international police sources, then obviously I have to say no to that. If that is the thrust of my friend's argument, then perhaps he should be more succinct about it. If that is what he is after, he is not going to get it from me. But I do not know how I can be clearer than that about it.

Mr. Singer: Mr. Chairman, the minister is not being clear at all; he is still playing games. He says it is a factor. Obviously no matter how carefully one reads these four pages of the last Rohmer report, other than the phrase that it might be difficult to get certain people to come and give us evidence, there is nothing there that indicates that the threat or possible threat or imagined threat of the infiltration of criminals into this trade is even a factor.

Somehow, along the line, it became somewhat obvious that the Minister of Financial and Commercial Affairs, and the Attorney General are again being far less than frank with the people of the Province of Ontario. The minister continues to do this. He says, "If you are asking me to reveal confidential reports of the international police organizations insofar as intelligence is concerned, I am not going to do that."

Is that not noble? The last little effort—and I think he got caught out on it—was when he took two and a half lines out of the Ontario Police Commission report and made a great production out of it, inside the House and outside the House, without a shred of evidence. He retreats back again, saying, "If you are asking me to reveal these great and confidential intelligence reports, I am not going to do it, but rely on me, good old 'shoot-from-the-mouth Al,' there is something there, but I will not tell you about it."

I say this—here we have an unusual situation. We have a royal commission that comes in with a very quick report. Unlike that of most royal commissions or committees of inquiry—even the now-renowned Lawrence committee—it does not have a Karsh picture of its chairman on the cover. It comes out in mimeographed form, comparatively cheaply compiled because, obviously, Mr. Rohmer, and Mr. Jeanneret and Mr. Camp felt there was some urgency and, obviously, there is much more urgency in it than is indicated here or than the Attorney General is prepared to tell us about. He would far rather talk about secret and confidential international intelligence reports of police forces.

Hon. A. F. Lawrence: You left out the word "security."

Mr. Singer: The last one he got word about was denied down in the United States.

I suggested a very simple solution to this. Obviously, we are not going to get a straight answer from the Attorney General on this or most other questions at most times. Why will he not let Mr. Rohmer and his commission

come before the standing committee, so that we can ask him the questions?

I have always found Mr. Rohmer to be a very honest and frank man. The Attorney General I find something less than that and if we cannot get the answer from the Attorney General, why should we not have an opportunity to try to get it from Mr. Rohmer?

Hon. A. F. Lawrence: These are words that are easily bandied about in this House these days, are they not?

Mr. Singer: It is not just a question of bandying words about.

Hon. A. F. Lawrence: I am talking about honesty.

Mr. Singer: The government takes a position it will not explain and it surrounds it with these mystic words about secret intelligence reports of international police forces.

If the government has a concern that there is a factor in this decision about this hurry-hurry job, even without a Karsh picture—hurry, hurry, let us get the report—hurry, hurry, let us have a statute. If it is a factor that there might be some kind of criminal threat involved in this, surely we are entitled to know and we are entitled to get something more from the Attorney General than the back slap he gives us tonight.

Mr. Chairman: Vote 901.

Mr. Singer: I am going to keep on, Mr. Chairman. The hon. member for High Park can go ahead, I have some more.

Mr. Shulman: I have one brief matter I would like to bring up, Mr. Chairman. I am very disturbed about the harassment that the police are giving—I brought this up with the minister before and he promised an answer and perhaps now is the time—I am disturbed at the harassment that the police are giving to clerks in bookstores that are selling dirty books. These young men are hired to do a job to sit at a cash register and take in the 50 cents or \$1 or whatever the books are sold for, as they go out. They are being treated as criminals and they are not criminals. I just do not understand why the Attorney General does not stop this harassment.

Hon. A. F. Lawrence: I am advised that there is a very real police problem here in respect of the actual operators of the stores themselves. To again put it crudely, it is

very easy to cover one's tracks these days; in respect—

Mr. Shulman: So we do prosecute the innocent then?

Hon. A. F. Lawrence: —of partnerships in respect of company shells, in respect of all sorts of legal fiction in which to hide behind, that the police have been having very real difficulty getting through to the operators.

Mr. Shulman: But that does not excuse—

Hon. A. F. Lawrence: Now, wait a minute. My understanding of these charges in respect of—gosh, I hope I am not getting into things that are sub judice here. I do not know whether there are charges outstanding or not. If there are, maybe I should not be saying this.

Mr. Shulman: We are not discussing any specific area.

Mr. Singer: You might be. I might have issued a writ before we came into the House, who knows?

Hon. A. F. Lawrence: All right, we are talking about generalities anyway. I have not got a specific case in mind, in any event, so I am speaking quite honestly about it.

But it is simply that, in all cases, I have been informed warnings are given to the clerks far in advance, like days in advance of the police returning. The books complained about are pointed out to them and, therefore, they certainly stay on and they certainly work in the full knowledge of what may befall them. Now, my friend may indicate that this is a harassment of the innocent. I do not think so. Is there no other way to attack the problem than to get after the employees' share—you know jobs are not that scarce today—who must share at least some of the blame. There have been cases, I am told, where some of these books have been right on the persons of the clerks who have been charged.

Mr. Shulman: Is the minister charging them for reading, in that case?

Hon. A. F. Lawrence: No—you know, extra pockets full of the things, so that I am afraid

that plea really falls on deaf ears as far as I am concerned.

Mr. Chairman: We have reached the hour for adjournment. I should have a motion to rise at this time.

Hon. Mr. Wishart moves the committee rise and report.

Motion agreed to.

The House resumed, Mr. Speaker in the chair.

Mr. Chairman: Mr. Speaker, the committee of supply begs to report progress and asks for leave to sit again.

Report agreed to.

Hon. A. A. Wishart (Minister of Financial and Commercial Affairs): Mr. Speaker, before moving the adjournment of the House, on Thursday I should like, as the first part of the business after the question period, to call certain second readings and I think the third readings which appear on the order paper can be disposed of. If the hon. members are desirous of knowing the bills I have in mind, they would be items on the order paper 22, 23, 24 and 25. Item 16—

Hon. A. F. Lawrence (Minister of Justice): Seventeen?

Hon. Mr. Wishart: The Attorney General is anxious to break from his estimates and perhaps do some of his bills.

Hon. A. F. Lawrence: Stabbed again.

Hon. Mr. Wishart: Seventeen and 18 would follow, and then we would continue with the estimates of The Department of Justice.

Mr. Speaker, I have in mind that there is a private bill—the City of Toronto bill—on the order paper for second reading and I would like to dispose of that on Thursday too.

Hon. Mr. Wishart moves the adjournment of the House.

Motion agreed to.

The House adjourned at 10:35 o'clock, p.m.

LEGISLATIVE ASSEMBLY OF ONTARIO

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Legislature of Ontario Debates

OFFICIAL REPORT — DAILY EDITION

Fourth Session of the Twenty-Eighth Legislature

Thursday, July 8, 1971
Afternoon Session

Speaker: Honourable Fred McIntosh Cass, Q.C.

Clerk: Roderick Lewis, Q.C.

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OFFICIAL RECORDS OF THE HOUSE OF REPRESENTATIVES

THURSDAY, JULY 2, 1931

HOUSE OF REPRESENTATIVES

OFFICIAL RECORDS OF THE HOUSE OF REPRESENTATIVES

OFFICIAL RECORDS OF THE HOUSE OF REPRESENTATIVES



LEGISLATIVE ASSEMBLY OF ONTARIO

THURSDAY, JULY 8, 1971

The House met at 2 o'clock, p.m.

Prayers.

Mr. Speaker: I note that we do have certain visitors with us in the galleries, although I have not been informed as to who those visitors might be.

Mr. T. Reid (Scarborough East): I would like to welcome a very special group this afternoon; the executive of the Scarborough East provincial youth committee, who are sitting in the east gallery.

Mr. Speaker: Statements by the ministry.
The hon. Minister of Health.

Hon. A. B. R. Lawrence (Minister of Health): Mr. Speaker, if the House will allow, the typed and more formal statement I wished to give at this time is not in my hands, but I will make it informally because I think the public generally—and I know the hon. member for Peel South (Mr. Kennedy), as a result of a question the other day—is concerned with the application of our new swimming pool regulations.

Approval was obtained at cabinet this morning to certain modifications and ameliorations of the regulations that were brought forward earlier this year.

I received in the department a number of delegations from several parts of the province suggesting that, to a degree, the restrictions, insofar as they related to supervision of pools, were too stringent. To paraphrase what my statement will have in it, and presumably it will be distributed in a few minutes, we are going to add persons over the age of 25 who are capable swimmers to the class of those qualified to supervise under the present regulations.

My hope here, Mr. Speaker, is that we will not only broaden the number of people available for supervision of pools, but that we will also be underlining the importance of maturity, insofar as supervision is concerned, and not allowing ourselves to be hung up, as it were, on the technical classifications of how many grades of lifeguard certificates the person has. So that is number one.

The second modification or amelioration relates to what I would describe as adult apartment buildings, in other words apartment buildings where the landlord as a matter of policy has as tenants adults and those over the age of 16 years. Insofar as such apartment buildings are concerned, the owner may apply to the Minister of Health for an exemption from the supervisory restrictions if he can show the reasons for the exemption, the reasons why he needs it; and in addition can demonstrate how and in what way, from a practical point of view, he intends to ensure that persons under the age of 16 will not be permitted within the pool enclosure as a whole.

There will be an exception provided, even in those adult apartments if we can use the term, where the person under 16 is personally accompanied by someone who is 25 years or older and is a capable swimmer.

Thank you, Mr. Speaker.

Mr. Speaker: Oral questions.

LAYOFFS AT DE HAVILLAND

Mr. R. F. Nixon (Leader of the Opposition): Mr. Speaker, I wonder if the Minister of Trade and Development can now report to the House some further information on the layoff of 700 workmen from the plant of de Havilland Aircraft in Downsview?

Can he tell the House why neither himself nor his colleague the Minister of Labour (Mr. Carton), were aware of this; and what steps he has taken since he became aware of it to reverse the decision by way of the Ontario Development Corporation or a special loan of the type that was granted to McClelland and Stewart?

Hon. A. Grossman (Minister of Trade and Development): Mr. Speaker, I do not know where that impression comes from. In fact, I do not think the hon. Leader of the Opposition has the impression that we were not aware of what was happening.

Mr. Nixon: I do, definitely.

Hon. Mr. Grossman: I read the clipping in the newspaper yesterday—I do not have it with me; well maybe I have got it, but it is not important now—where the hon. member for Downsview said he was shocked that we knew nothing about this, and then went on to state that he was shocked—

Mr. Nixon: The Minister of Labour did not know a thing about it.

Hon. Mr. Grossman: —because he asked me a question about the phasing out of the operation, the phasing out of de Havilland. I had told him at that time my information was that the plant was not being phased out—

Mr. Nixon: The minister said it was all Ottawa's fault, I think.

Mr. V. M. Singer (Downsview): A few days later, when the minister found it was not Ottawa's fault, he said it was not happening.

Hon. Mr. Grossman: The hon. member is, I hope not deliberately, confusing the issue.

On the one hand we are talking about the layoffs which are going on now, on the other occasion we were talking about the statement which was in the papers about the rumour that the plant was going to be phased out and moved to Montreal. At that time I answered that our information was, after talking to the de Havilland people, that they were not concerned, that they were not going to be phased out at all and moved into Montreal.

Mr. Nixon: The minister makes it clear he knew all about it then.

Hon. Mr. Grossman: That situation exists at the moment as far as de Havilland is concerned and as far as we are aware. The question about the present layoffs is nothing new; we knew this was going on.

Mr. Singer: Why did the minister not tell the Minister of Labour?

Mr. Nixon: The Minister of Labour certainly said he did not know.

Hon. Mr. Grossman: Mr. Speaker, I spent a good portion of the day again yesterday with the officials of the company and the representatives of the union. They went over this thoroughly. They all agreed, not only those who are in charge of the operation but the representatives of the union, that there is nothing that can be done to stop the layoffs at the moment because it has to do with the cessation of the assembly

and the manufacture of the planes that they have been presently manufacturing.

There is nothing can be done about that because in fact they are already stocking. They are building, for stock, the Twin Otters which they have been manufacturing.

The question at this moment is whether they can proceed with plans for the DHC-7, which is known as a STOL aircraft as well. They are looking for some assistance from the two governments to carry on the research and design for this programme which runs into many millions of dollars, so that they can proceed with this in the knowledge that they do not have to lay off any more people at the end of the year. Those who are presently laid off will be able to be phased in as they are able to proceed on the DHC-7.

That is what the situation is at the moment and we have great hope—in fact, there is every reason to believe that between the company, the federal government and perhaps ourselves—we will be able to assure them that they can proceed with the research and the design and development of the DHC-7. This is all that anyone can expect anyone to do at the present time, because they cannot keep the number who are being laid off presently busy on manufacturing a plane which is going out of production.

Obviously they have to design and tool up for a new airplane and this is what they are talking about, so let us get that clear. We are talking about the ones that are presently being laid off over a period of months until the end of the year. Hopefully, we can come to some terms in respect of the new operation to provide the company with sufficient financial assistance so they can proceed immediately on the research and design necessary for the DHC-7. The company feels, and we have reason to agree with them, as I mentioned earlier on another occasion, that de Havilland has the know-how, it has the engineering staff—probably without equal in the North American continent, particularly in respect of STOL aircraft—and we hope to be able to put them in a position where they will not suffer from too much competition in this field by the very fact that we are able to get them into production as early as possible.

Mr. Nixon: A supplementary, Mr. Speaker: Can the minister make it clear that he was formally informed by the company of their intention of laying off the 700 workmen; and when did he receive that information?

Hon. Mr. Grossman: On the previous occasion they told us that there were some employees being laid off. Yesterday they gave me the information. They showed me the chart of the number who would probably be laid off each month over a period of the next few months because of the cessation, as I say, of the production of the Twin Otters.

Mr. Nixon: The previous occasion the minister refers to, is that when he got in touch with the company as to the possibility of the plant being moved out of Downsview?

Hon. Mr. Grossman: Yes.

Mr. Nixon: That would be about three weeks ago?

Hon. Mr. Grossman: Something like that.

Mr. Nixon: A supplementary: I wonder if the minister did inform the Minister of Labour at that time of the plans that the company had to lay off the 700 workmen?

Hon. Mr. Grossman: At that time, Mr. Speaker, we were not talking in terms of any particular number. We were talking in general terms of—

Mr. Singer: Then the minister did not know?

Hon. Mr. Grossman: We knew they were going to start laying people off. We did know that and I did not say we did not know. If the hon. member will read Hansard, he will find that what I am telling him today is precisely what I said at that time in respect of the information I had.

Mr. Singer: Mr. Speaker, by way of supplementary: Why did the minister not take his colleague the Minister of Labour into his confidence and why were arrangements not made so that some alternative method of employment might have been ascertained for these people? Because is it not an abysmal shame that the two responsible ministers really did not know anything about it until yesterday?

Hon. Mr. Grossman: Again, Mr. Speaker, the hon. member keeps repeating we knew nothing about it until yesterday—

Mr. Nixon: The Minister of Labour did not know.

Hon. Mr. Grossman: The question of what we can do with these people in respect to training them for some other work is another

matter. As a matter of fact, if the plan that I have just mentioned comes to fruition—and I expect it will be in a very short while—these people probably will be gradually phased in again over a period of time.

Mr. Singer: Mr. Speaker, by way of further supplementary: If the minister even had a hint about it three weeks ago, would it not have been wise for this government to have got all the details and made alternative plans well in advance, and is not the only reason that the minister did not make alternative plans because he did not know anything about it?

Hon. Mr. Grossman: Will the hon. member suggest what alternative plans?

Mr. Singer: Yes! One is that hopefully the minister could have announced today some loan programme under ODC or a loan programme similar to the programme that he initiated for the printing company, for a re-training programme, or if the minister had been listening to the news, some method of liaison with the industry in British Columbia that is quoted today as saying they would like to employ as many as 300 of these workers if they can be moved out to British Columbia.

Mr. Nixon: That answers the question.

Mr. Singer: That is the kind of initiative that the minister should exercise.

Hon. Mr. Grossman: Mr. Speaker, the hon. member is still confused.

Mr. Singer: Oh yes!

Hon. Mr. Grossman: If we gave the company \$100 million today they could not employ these people who are being laid off at the present time—

Mr. E. W. Sopha (Sudbury): What, with \$100 million?

Hon. Mr. Grossman: I thought I had explained that; they cannot be employed putting out a plane which is going out of production.

Mr. S. Lewis (Scarborough West): That is fairly rash; even de Havilland with \$100 million—

Mr. Sopha: Give me \$100 million and I will employ them!

Interjections by hon. members.

Hon. Mr. Grossman: De Havilland could not employ them because, as I said, they are taking out of production the plane which these people were employed to assemble. As a matter of fact they do not have orders for a number which are now being finished up. So giving them money is not going to help at all in respect of the members of the staff who are presently being laid off.

And I said it is going to take a considerable amount of money to provide the research and development of the new plane. As I mentioned earlier, Mr. Speaker, we are doing everything we can to make sure that this will come about.

If there are 300 jobs available in British Columbia for these kind of employees, we will certainly see to it that we do everything possible to get them out there. At the moment, all I have is the hon. member's word that is the case.

Mr. Singer: Mr. Speaker, by way of final supplementary—

Mr. Speaker: The hon. member for Scarborough West on a supplementary.

Mr. Lewis: May I ask it after this one, Mr. Speaker?

Mr. Singer: Is it not correct then that neither the Minister of Trade and Development, nor the Minister of Labour, nor anybody on the front benches knows what in the heck to do about this problem at all?

Hon. Mr. Grossman: Yes, Mr. Speaker, it is not correct.

Mr. Lewis: Mr. Speaker, I have a supplementary: What does the minister mean when he talks to this House about the STOL aircraft and about design and about production and about possible provincial participation? It has been under discussion now for four years in the continuing pattern of de Havilland layoffs. This is not a new phenomenon. What specifically does the hon. minister mean when he says these things to the House?

Hon. Mr. Grossman: I say, Mr. Speaker, that yesterday or the day before, for the first time, the company presented to us a firm proposition. Prior to that they had suggested—

Mr. Singer: The proposition was to lay off 600 people.

Hon. Mr. Grossman:—what we might be able to do; at that time we asked them to put it down in detail. I have just had that delivered—as I say, I cannot recall it was yesterday; I think it was the day before—and it is presently being studied. It involves a great deal of money—

Mr. H. Peacock (Windsor West): It was Tuesday between 6 and 8 o'clock.

Hon. Mr. Grossman:—and obviously we do not just write cheques. We want to make sure about the facts and figures and the potential. That is what I mean.

Mr. Lewis: Has the department not been aware for more than two years of the raging debate over STOL? Did the department have to wait until yesterday before a first initiative was taken—after 700 men are laid off? Is that the way the department operates?

Hon. Mr. Grossman: Mr. Speaker, again I refer the hon. member to the statement I made here two or three weeks ago, that at that time the company assured me they were in consultation with the federal government and were concluding what they thought would be a plan which would resolve this problem. They asked us at that time, if the hon. member would read Hansard—it has just been handed to me, I do not think I need to repeat it—at that time I said that the company had informed us that they felt it would be better if we did not get involved at that stage because the negotiations with the federal government were coming along fine.

Mr. Singer: The minister walked away and put his hands over his eyes.

Mr. Lewis: It is in Ontario.

Hon. Mr. Grossman: I think, as a responsible government, if the people involved tell us that they feel at that stage it would be better not to interfere, I think it was our duty to make sure we did not do any harm to whatever negotiations were going on between themselves and the federal government.

Mr. Singer: Sure did not do any harm; did not do any good either!

Mr. Lewis: They have been wrong for two years.

Hon. Mr. Grossman: As a matter of fact, Mr. Speaker, the fact that they were able—yesterday or the day before, I cannot recall

as I say—they were able to then present us with what they thought was a proper proposition for us to consider, is evidence of the fact that it was probably just as well that we handled it that way, that we did not interfere. We do not want to get involved in any conflict with the federal government in respect of a programme—

Mr. Singer: Oh, perish the thought!

Hon. Mr. Grossman: —with a programme which deals—

Mr. Lewis: The minister is really irresponsible with the Ontario work force.

Hon. Mr. Grossman: Well, I do not think the hon. member is at all concerned with the workmen; he is only concerned with making a political issue of the fact that people are being put out of work.

Mr. Lewis: Oh come on!

Mr. C. G. Pilkey (Oshawa): That is a good way to brush it off.

Mr. Lewis: By way of final supplementary, Mr. Speaker, why, when the minister was aware more than two years ago that Hawker Siddeley was prepared to abandon de Havilland—it was an expendable plant in the multi-national activities of Hawker Siddeley—why did the Ontario government not move in with an effort to subsidize and participate in the STOL programme on an equity basis? The minister knew it then.

Hon. Mr. Grossman: Mr. Speaker, as the Minister of Correctional Services two years ago, I was not particularly—

Mr. I. Deans (Wentworth): That was in the old government.

Hon. Mr. Grossman: I was not particularly aware of that. The hon. member has raised—

Mr. Lewis: He has had six months already!

Mr. Singer: Nobody was aware of anything.

Hon. Mr. Grossman: Why do members not wait and listen?

Mr. Speaker: Order!

Interjection by an hon. member.

Hon. Mr. Grossman: Not even six months!

Mr. E. W. Martel (Sudbury East): Is the minister part of the government?

Hon. Mr. Grossman: The hon. member has raised the question that if the government was aware, why did it not do something. Mr. Speaker, I will go into the records, I will find out what happened two years ago—

Mr. Lewis: The minister has not done that! Why not?

Hon. Mr. Grossman: I will find out; because I was concerned with the immediate needs, not going back into history.

Mr. Singer: Yes, and the government's conclusion was to do nothing. That was the answer.

Hon. Mr. Grossman: Mr. Speaker, I know the hon. member is somewhat annoyed because he sees action being taken and does not like it.

Mr. Singer: Certainly action; do nothing!

Mr. Lewis: Speak to the 700 unemployed men about action.

Hon. Mr. Grossman: As I say, Mr. Speaker, I will search the files of the department and I will find out what happened at that time, so that we are speaking about facts and not hearsay, and find out what action the government took; or if it did not take any action why it did not. At that time I shall be in a position to answer that question.

Mr. Speaker: I think there has been a sufficient number of supplementaries to this question. Does the hon. Leader of the Opposition have further questions?

OFFTRACK BETTING POLICY

Mr. Nixon: On another subject, Mr. Speaker, a question of the Attorney General. Can he explain to the House why, if the government policy on offtrack betting was fixed some weeks ago, he delayed in announcing it until after the federal Parliament had recessed and so there is no possibility to change the Criminal Code in order to make the offtrack betting proposition legal until a considerable delay, at least three months?

Hon. A. F. Lawrence: (Minister of Justice): No; certainly the federal government, Mr. Speaker, was well aware of our interest, our concern, our attitude and our policy in this matter. It was not made public simply out of deference, as I thought I indicated the other night to the House, to the traditional

lines of communication and closeness and co-operation that have always existed between the federal Minister of Justice and the provincial Attorney General.

There can be absolutely no reason, and I am sure my hon. friend is not trying to imply that there is any reason—

Mr. Nixon: That is right. Why?

Hon. A. F. Lawrence: Just a minute—there is any reason for the federal government not moving into the matter simply because we had made no public announcement, because privately the federal minister was well aware of our attitude.

Mr. Nixon: A supplementary: Would the minister make it clear that his former statements and the statements of his predecessor in this House, were that when the Ontario policy had been formed a request would be made of the government of Canada for amendments that would fit into Ontario policy and that this was the position that had been made clear at the federal level? Why was there this delay that resulted in the announcement just a couple of days ago, rather than a full month ago at least—

Hon. A. F. Lawrence: A year ago!

Mr. Nixon: —which was the date when the minister indicated the policy had been formed?

Mr. Speaker, would the minister agree that he implied in his speech three nights ago that if we—and I quote him—were able to read between the lines—the policy had been formulated considerably before that?

Hon. A. F. Lawrence: Yes, the policy was made considerably before that.

Mr. Nixon: Why did the minister not make it public?

Hon. A. F. Lawrence: I am saying; simply out of deference to the fact that the federal minister was attempting to obtain, I would hope, similar expressions of opinion from the rest of the provinces. He knew our attitude.

Mr. Nixon: Why did the minister lose this deference then?

Hon. A. F. Lawrence: I lost this deference simply because it was indicated in this House the night before last, by a leading member of the opposition, that he had been in contact about this matter with—

Mr. Singer: Yes, indeed I did.

Hon. A. F. Lawrence: —one who is politically affiliated with him and who happens to be the federal Minister of Justice.

Mr. Nixon: Yes, right!

Hon. A. F. Lawrence: As I indicated at the time I was quite chagrined about that and I still am.

Mr. Singer: Oh the minister was chagrined? I will ask the Attorney General's permission the next time.

Mr. Nixon: A supplementary: Surely the minister recalls that his statement in the House was that the government policy would be known within hours before the event that the ministers refers to in connection with the breakdown of confidence. The minister will find that is so and that his story simply does not hold water. The reasons are not acceptable.

Mr. Singer: Mr. Speaker, by way of supplementary, does the minister not recall his remark that prior to his going to Victoria the government had formulated no policy, and it was only after he had gone to Victoria and spoken verbally to the Minister of Justice and written to him, that for the first time there was the indication of any policy?

Hon. A. F. Lawrence: No.

Mr. Singer: It is in Hansard and the minister is misleading the House.

Mr. Speaker: Order!

Hon. A. F. Lawrence: The hon. member is misleading the House when he says that; he is 100 per cent absolutely wrong. The policy was formulated. The member is wrong again.

Mr. Singer: The minister's memory is as bad as his knowledge of the law.

Hon. A. F. Lawrence: As a matter of fact the letter I received—I will expect a full apology from the member for that—because the letter I received from Mr. Turner was received in my office on June 7, and on June 8, the very next day, I wrote back to Mr. Turner. That was well before the constitutional conference at Victoria.

Interjections by hon. members.

Mr. Speaker: Order!

Mr. E. Sargent (Grey-Bruce): A supplementary, Mr. Speaker.

Hon. A. F. Lawrence: I am waiting for an apology from the member for Downsview.

Hon. Mr. Crossman: Do not hold your breath!

Mr. Sargent: No, do not hold your breath, that is right. I think maybe he is right.

Mr. Singer: Maybe? There is no question.

Mr. S. J. Randall (Don Mills): Go ahead, the member for Grey-Bruce can apologize for him; he can take care of it.

Mr. Sargent: Would the minister advise if this policy will embrace all types of betting—football, hockey, the whole gamut of betting—or just one policy covering racetracks only?

Hon. A. F. Lawrence: At the moment we are looking into the question of bookmaking and offtrack and ontrack betting as far as horse-racing only is concerned. On the other hand the study groups that have been set up are not limited to that at all; but again I would imagine the final mechanics that will be devised would, in the first instance anyway, relate to offtrack and ontrack betting in relation to horses in Ontario.

Mr. D. C. MacDonald (York South): I would still hesitate to bet on the government surviving an election anyway!

Hon. A. F. Lawrence: Does the member want to make book on it?

Mr. Speaker: The hon. member for High Park.

Mr. M. Shulman (High Park): Could the minister clarify for me whether the government, if it does go into the business of setting up offtrack betting shops, will then attempt to close the other shops that would be operating in competition with it?

Hon. A. F. Lawrence: Yes, if we have the legislative jurisdiction to do so; very much so.

Mr. Speaker: Supplementary?

Mr. J. Renwick (Riverdale): Supplementary, Mr. Speaker: Would the Attorney General's scheme envisage adequate compensation to those persons presently operating that business?

Interjections by hon. members.

Mr. Speaker: Does the hon. leader of the Opposition have further questions?

Mr. J. Renwick: It is a legitimate business the government is going to expropriate.

Mr. Singer: Is that part of the NDP policy?

Mr. J. Renwick: We do not expropriate over here without compensation.

Mr. Singer: I am glad that is part of the NDP policy; we will make that known.

Mr. Nixon: Mr. Speaker, a question of the Minister of Lands and Forests.

Hon. A. F. Lawrence: The leader of the NDP should tell him that is a real "boo-boo."

Mr. Lewis: There is nothing safe in the private sector from this government!

Mr. Speaker: Order please!

PAYMENTS TO FISHERMEN

Mr. Nixon: Is the Minister of Lands and Forests aware of the problems faced by the 1,200 freshwater fishermen in northwestern Ontario in receiving payment through the fisheries companies and from the Freshwater Fish Marketing Corporation? Has he got a programme which will speed up these payments, and in fact secure the financial basis of the two main fish companies, Shoal Lake Fisheries and Kemp Fisheries? Has he a programme which will assist the freshwater fishermen in northwestern Ontario, particularly around Lake Nipigon?

Hon. R. Brunelle (Minister of lands and Forests): Mr. Speaker, I am pleased to reply to the hon. Leader of the Opposition. There are several programmes, all of which have been announced, to assist commercial fishermen who are having difficulties due to fish contaminated with mercury.

First, The Fisheries Loans Act 1970. Under the provisions of this Act, loans payable on demand and bearing no interest were made last year and will be made again this year to fishermen whose fishing areas are closed by regulations because of mercury levels in the fish. May I add, Mr. Speaker, these loans are being made this year at 100 per cent cost to the Ontario government; there is no federal participation.

Second, loans from Ontario Development Corporation and Northern Ontario Development Corporation: These loans are partially forgivable and interest is either deferred or at a very favourable rate. Loans under this

programme have the objective of assisting fishermen or processors to relocate, restructure or refinance their operations where mercury problems have interfered with their normal operations.

Third Mr. Speaker, payments for fish found unsalable because of mercury levels: A provincial-federal programme has been arranged under which fishermen and dealers will be paid regular prices for fish which have to be destroyed. This programme is intended to allow fishermen to fish lakes in which mercury levels are not yet known or lakes in which only a small percentage of fish are unfit for food. It is intended to encourage the maximum harvest without losses to fishermen. As soon as certain species in a lake are known to be unacceptable, the fishermen will stop taking them and direct their efforts to the fish having safe levels of mercury.

With reference to the Shoal Lake Fisheries, the delay in payment for certain fish was due partly to the delayed decision by the government of Canada to go ahead with the shared programme of paying for fish found unsalable because of mercury and the resultant uncertainties on the part of dealers. The other reason lay in the difficulties of the Fresh Water Fish Marketing Corporation in coming to agreement with Ontario agents whose profits had been reduced by the mercury problems.

I am now informed that two Ontario dealers have signed agreements for this year—they are Shoal Lake Fisheries at Keewatin, and Armstrong Fisheries—and that active negotiations are going on between the corporation and Kemp Fisheries at the Lakehead. These three dealers have been the corporation's only Ontario agents during the past two years. Mr. Speaker, I am optimistic that the fishermen and the agents are being properly looked after.

Mr. Nixon: A supplementary, Mr. Speaker: Is the minister aware that the loans are not the problem? It is the regular payments for fish deliveries to the companies that are the problem. These fishermen have regular commitments that they must meet and the moneys have not been delivered to them in payment for the fish that they have delivered to the companies, because of the complications that the minister has explained.

Hon. Mr. Brunelle: These payments, Mr. Speaker, I believe—is the member referring to the payment by the Fresh Water Fish Marketing Corporation to these fishermen?

Mr. Nixon: Yes, and by the fisheries companies directly to the fishermen.

Hon. Mr. Brunelle: The fish marketing group, as the hon. member knows, is an independent corporation with headquarters in Winnipeg. I would be pleased to look into it. We have a director; I am not aware if there have been delays but I would be pleased to look into it.

Mr. J. E. Stokes (Thunder Bay): A supplementary question, Mr. Speaker: Is the minister not aware that the big problem is in getting the fish inspected to pass the required levels of mercury? That is causing the big problem, where fishermen have to wait for weeks in order for an inspection to take place. The fish have to be sent all the way to Winnipeg, and they have to be frozen so that the quality of the fish has deteriorated, and the delays the hon. Leader of the Opposition mentioned, obviously and of necessity have to ensue.

A second question: Is it right that some of the fish that are normally processed by the present agents of the fish marketing board are now being processed in Winnipeg and some of them down here in Wheatley?

Hon. Mr. Brunelle: Mr. Speaker, as to the first part of the question, it is my understanding that a lot of the smaller fish are not being detained. Most of the fish that have mercury are the larger fish. It is my understanding that the smaller fish—and most of our fish is exported to the United States—are under federal inspection and I have been advised that this year that there would be less delays than last year, but there has to be a certain amount of delay because the fish apparently have to be frozen; but these things are being looked into.

The second part of the question was concerning whether the—

Mr. Stokes: Some of the processing that was formerly done by the two agents of the fish marketing group, namely Shoal Lake and Kemp, is being processed in Manitoba and some of it is coming down here to Wheatley.

Hon. Mr. Brunelle: As I just indicated, this recent report, which I received in the last couple of days, is that Shoal Lake Fisheries are staying open and the other fisheries also are continuing operations, the one located at Armstrong, and Kemp Fisheries at the Lakehead. We are optimistic they will be able to remain open.

These matters are, I do not need to tell the member, very complicated but the Fresh-water Fish Marketing Board, which is the main agency for purchasing fish, is trying to keep these agents at a financially sound operating level.

Mr. Stokes: Supplementary: Is it not true that it is the federal Department of Fisheries that is the fly in the ointment, inasmuch as the provincial government has no say at all with regard to what fish will be allowed for market? Is it not solely the responsibility of the federal Department of Fisheries to say which fish go to the market and which are rejected? Is that not the problem?

Hon. Mr. Brunelle: Mr. Speaker, most of the fish is exported and this comes under federal jurisdiction. The inspection of fish is done by federal Fisheries; and they are very concerned that the fish exported to the United States and to Europe is at a safe level, so we are limited in what we can do in this area.

Mr. Speaker: Has the hon. Leader of the Opposition any further questions?

The hon. member for Scarborough West.

DEATH AND DISABILITY INSURANCE PACKAGE

Mr. Lewis: A question, Mr. Speaker, of the Minister of Financial and Commercial Affairs: Do I understand it correctly that the \$7 package policy for death and disability insurance to cover personal injury is mandatory on all in the province regardless of age—mandatory in every policy regardless of age of the policy holder?

Hon. A. A. Wishart (Minister of Financial and Commercial Affairs): That is my understanding, yes. A \$9 item will be part of the policy, a mandatory part.

Mr. Lewis: By way of supplementary, then why does the legislation specifically, by regulation, exclude from benefit the large numbers of those under 21 years of age and those over 65 years of age if they do not fit the specific definition of employment?

Hon. Mr. Wishart: They would be dependants of an insured who is the head of the household or a parent of children who would not be insured. I think this is clear from the legislation. I feel it is quite clear that that is the case. If there are provisions—

Mr. Sopha: Well, surely this will be debated at the proper time.

Hon. Mr. Wishart: It will be debated on second reading and in committee.

Mr. Lewis: Another supplementary or related question, Mr. Speaker: Is the minister aware that his \$7 package which covers up to \$5,000 of death and disability insurance, is available at \$1.25 per \$1,000 down to 90 cents per \$1,000 from almost any insurance company in the province? And that he is therefore giving to the automobile insurance companies one million or more dollars a year and that it is a very expensive package?

Hon. Mr. Wishart: I do not think I am aware of that, Mr. Speaker, because I do not believe it is a fact.

DUMPING OF FILL IN HAMILTON BAY

Mr. Lewis: I will document it for the minister, but I will not do it now in question period.

May I ask the Minister of Energy and Resources Management, is there any law or regulation or otherwise, through the Ontario Water Resources Commission, which prohibits the dumping of fill indiscriminately into Hamilton Bay?

Hon. G. A. Kerr (Minister of Energy and Resources Management): No. Mr. Speaker, the dumping of fill per se is not prevented by the provisions of The OWRC Act. There has to be some relation to contamination of the water or some other ecological effect such as that.

The Hamilton harbour—Hamilton Bay—this particular area to which the hon. member refers, is under the jurisdiction of the Hamilton Harbour Commission, and this is where permission for filling in by a company, for example, has to be obtained. Apparently in this case it has been obtained and the work is going on under their supervision.

Mr. Deans: Mr. Speaker, by way of a supplementary question: What check is made by OWRC to determine the quality of the fill that is being dumped in any waterway in order to determine whether or not is it contaminating the water?

Hon. Mr. Kerr: Mr. Speaker, generally any fill or any addition to waters such as the filling in of Hamilton Bay is monitored by OWRC. In this particular instance, OWRC is aware of the project and has been there continuously.

Our regional people are there continuously, mainly because of complaints regarding this operation and the debris and litter that has resulted and the mess in the bay. Both waste management and OWRC have been there and have been consulting with the harbour commission officials.

As well, I might say, our air management branch has been on the site because of dust from the operation. OWRC is satisfied that it is, in fact, landfill; it is fill mainly from some construction site and the fill itself is all right as far as being clean is concerned.

Mr. Deans: A further supplementary question: When did OWRC become aware and when did they start checking into the filling of water-lot sites? Secondly, is it the policy of the government to permit the filling of water-lot sites indiscriminately without consideration for other property holders in the area, people who have already held water-lot properties and waterfront properties?

Hon. Mr. Kerr: Mr. Speaker, I want to re-emphasize that the actual operation and the control of such operations as far as Toronto, Hamilton and Windsor are concerned, for example, are under the jurisdiction of the local harbour commissions.

Mr. Deans: Not the filling of water-lots?

Hon. Mr. Kerr: Yes, the filling in of the bay, the giving of permits for filling in of the bay or extending the waterfront, in these instances, is under the jurisdiction of the harbour commission. Unless those operations in some way contravene the provisions of our Act, we really have no control over them.

Mr. Deans: My final supplementary question: Is it not a policy or is there not a portion of The OWRC Act that prohibits the discharging or placing of any materials into the waters of the Province of Ontario without the receipt of prior permission of OWRC?

Hon. Mr. Kerr: No, only those materials that are likely to contaminate water.

Mr. Speaker: Did the hon. member for Scarborough West have a further question?

REASONS FOR SEARCH WARRANT

Mr. Lewis: Yes, Mr. Speaker, very short; I recognize the time. Has the Attorney General yet found out the reasons and the nature of the search warrant which was used in the case of Ivan Hillier in Sarnia?

Hon. A. F. Lawrence: No, our investigation is still proceeding on this matter. As soon as I have a report, I will give it to the House, and/or the hon. member.

Mr. Lewis: Right!

SPADINA EXPRESSWAY DECISION

Mr. Lewis: A further question, Mr. Speaker, to the Minister of Transportation and Communications, as he has come into the House: In the variation of the order-in-council on the Spadina decision, is Metropolitan Toronto, as they are arguing, capable of using the \$10 million not dealt with to extend the expressway south if they wish?

Hon. C. S. MacNaughton (Minister of Transportation and Communications): Mr. Speaker, the matter was discussed with the chairman of the Metro council yesterday and certain members of his staff in terms of the intent and purpose of the order-in-council. I would think that that is quite clear to them; in terms of the wording, it very could be an applicable situation. The matter has not been resolved. We are having discussions with staff now. But the intent and purpose was quite clear, I think, so we are reviewing this.

Mr. Lewis: Now, just a second—

Hon. Mr. MacNaughton: I suppose—

Mr. Shulman: The government is not changing its mind?

Hon. Mr. MacNaughton: No, I am not changing my mind.

Mr. Lewis: Fine, I could not tell.

Hon. Mr. MacNaughton: I said the intent and purpose of the order-in-council was quite clear to all concerned. Now I suppose it is fair to say, in specific terms if it requires an amendment to make it more clear to Metro, that is not a difficult thing to do.

Mr. Lewis: Right!

Then by way of supplementary, I take it that if there is an effort to use the \$10 million to extend the expressway south of Lawrence,

the government will, in fact, amend the order-in-council to prohibit that?

Hon. Mr. MacNaughton: Mr. Speaker, I do not know that I require to be as categorical as that. I say that—

Interjection by an hon. member.

Hon. Mr. MacNaughton: Mr. Speaker, maybe the member would be interested in what I have to say; is that a possibility?

Interjections by hon. members.

Hon. Mr. MacNaughton: Thank you very much.

Mr. Randall: The minister should quit while he is ahead.

Hon. Mr. MacNaughton: That is one way of dealing with it, notwithstanding that there are other ways of dealing with it. There is certain discretionary authority available to the minister under the Act. It could be dealt with that way, so it is not difficult to deal with the matter.

Mr. Sargent: Much better in the evening!

Mr. Lewis: I see. By way of supplementary, the results will be the same; the expressway will not be extended further?

Hon. Mr. MacNaughton: I see no reason to contemplate any further extension of the expressway.

Mr. Lewis: Thank you.

Mr. Speaker: The hon. member for Downsview.

Mr. Singer: Mr. Speaker, by way of supplementary, does the minister or the government have the legal power to prohibit the municipality of Metropolitan Toronto from expending money that has already been approved under the existing legislation?

Mr. Lewis: The minister had better say yes.

Hon. Mr. MacNaughton: I would suppose, to be as honest as I know how to be, Mr. Speaker, if they are prepared to use their own funds for these purposes, it is one thing; but we certainly have no intention of subsidizing it to go beyond Lawrence Avenue.

Mr. Singer: By way of further supplementary, if the municipality of Metropolitan Toronto should choose to use its own funds

for which debenture approval has already been obtained, would the province move to stop this action?

Hon. Mr. MacNaughton: Mr. Speaker, the province might even take that into consideration.

Mr. Speaker: The hon. member for Sudbury.

ROCKHOUNDS GIVE SUDBURY LUNAR LANDSCAPE IMAGE

Mr. Sopha: Mr. Speaker, I should like to ask the House leader, in the absence of the head of the government, whether the government might not consider asking the federal government to make representations to the space exploration authorities in the United States to relieve Sudbury of the presence of the astronauts masquerading as rockhounds, so as to eliminate the quite erroneous impression, erroneous and unjustified, that Sudbury resembles a lunar landscape.

Mr. Shulman: It does.

Hon. Mr. Wishart: Mr. Speaker, I am sure that if—

Hon. A. F. Lawence: I am sure they get that impression in here.

Hon. Mr. Wishart: —the space travellers remain in the area of Sudbury for any length of time, they will be so enamoured of the beautiful landscape that they will not have any thought of going to the moon. If they really wanted to be transferred to paradise, we might bring them over to Sault Ste. Marie and they would be glad to remain there forever.

Mr. Speaker: The hon. Minister of Lands and Forests has the answer to a question previously asked. I might say that I have an accumulation of nine answers from various ministers to questions that have been previously asked. The hon. Minister of Lands and Forests.

Hon. Mr. Brunelle: Mr. Speaker, the member for Peterborough (Mr. Pitman) is not in the House—

Mr. Lewis: That is okay.

Mr. Speaker: Is it agreeable to the New Democratic Party to accept the answer?

Mr. Lewis: Yes.

Hon. Mr. Brunelle: They will accept the answer? If I can find the answer. Wait until the member for—

Mr. Lewis: The minister had better find it.

OWNERSHIP AND SALE OF CROWN LAND

Hon. Mr. Brunelle: Mr. Speaker, this was a question asked me last week by the hon. member for Peterborough about the sale of Crown land. I would like to reply that the moratorium on sales and the adoption of a lease-only policy was in respect of only those Crown lands which are or will be designated as cottage lots for private uses.

It did not and does not extend to the many and varied other purposes for which Crown land may be required. These purposes include sites for commercial or industrial enterprises, including agriculture, rights of way for roads, railways, power lines, or pipelines, lands for schools, churches, or children's camps, and lands required for public purposes by other government agencies, municipal, provincial or federal.

In some of these cases, the lands are first leased and option to purchase may be exercised by the lessee upon fulfilment of stated conditions, such as the completion of improvements to a certain value.

With regard to the recent sale of 76 acres in Tyendinaga township, this park lot is completely surrounded by patented land and had been used for agricultural purposes by the purchaser and his predecessors since 1872—for 99 years. In fact, the purchaser is the great-grandson of the original claimant to the property.

A similar offer to purchase was made by the applicant's mother in 1930. The purchase price for the land was \$190 plus \$81 for timber value, making a total of \$271. The frontage on the Salmon River is not suitable for cottages, and it is accessible to the public only by crossing privately owned land.

Mr. Speaker: The question period has now expired.

Mr. Singer: Mr. Speaker, on a point of order, I thought that the Attorney General would like to have the record straight. And I refer to page 2938 of Hansard, on June 18, 1971, where the Attorney General, in answer to a question of mine, said this:

Mr. Speaker, while in Victoria this week, I had the opportunity of further discussions with the Minister of Justice. The Minister of Justice now certainly knows our opinions and our policies in respect of this matter.

Now, if that does not mean what I said it does, I do not know what it means.

Hon. A. F. Lawrence: Yes. I sure do. I also hope the hon. member will apologize.

Interjections by hon. members.

Hon. A. F. Lawrence: Mr. Speaker, to the point of order, I can well remember the conversation that I had in Victoria—

Mr. Singer: What Hansard says and what the Attorney General told the House—

Hon. A. F. Lawrence: —with the Minister of Justice. It was in relation to my letter back to him. There was no question about that.

Mr. Lewis: The minister does not have to defend himself.

Mr. MacDonald: It speaks for itself.

Hon. A. F. Lawrence: Well, I do not know what the problem of the hon. member is. He was extremely vicious in his language the other night. He called us gutless for not having a policy; he asked for the policy and now he has got it and he is sorry he asked. That is all.

Mr. Nixon: We do not accept that as an apology. The minister will have to do better.

Hon. A. F. Lawrence: No, I do not accept that as an apology.

Mr. Sargent: Right. Mr. Speaker, on a matter of public importance—

Mr. Speaker: There is no such—

Mr. Sargent: Mr. Speaker, this is a very important public matter.

Mr. Speaker: There is no provision for the hon. member to introduce any such topic at this time.

An hon. member: He is not introducing anything.

Mr. Sargent: It is a matter of public importance.

Hon. A. F. Lawrence: It will be unique for him.

Mr. Speaker: Petitions.

Mr. Sargent: What do you mean there is no chance of introducing it?

Mr. Speaker: The hon. member is out of order.

Interjections by hon. members.

Hon. W. D. McKeough (Treasurer): Stop embarrassing your party.

Hon. Mr. Grossman: I am betting on the member for Grey-Bruce.

Mr. Sargent: This is a matter of very serious public importance. I want to know—on a point of order!

Mr. Speaker: What is the point of order?

Mr. Sargent: That is my point of order. When can I speak about—

Mr. Speaker: What is the point of order?

Mr. Nixon: Tell him what it is.

Mr. Sargent: The point of order is this, Mr. Speaker: This morning, the Minister of Correctional Services (Mr. Apps) and I toured the Owen Sound jail—

Mr. Speaker: That has nothing to do with any point of order in this Legislature.

Mr. Lewis: Right.

Mr. Sargent: How do you know until you hear it?

Interjections by hon. members.

Mr. Speaker: The hon. member will please resume his seat. He is out of order.

Hon. A. F. Lawrence: Were they trying to keep the member in or keep him out?

Mr. Sargent: Well, I could be—

Mr. Speaker: Presenting reports.

Mr. Allan from the standing public accounts committee presented the committee's report which was read as follows and adopted:

Your committee begs to report the following bill without amendment:

Bill 73, An Act to amend The Audit Act.

Your committee begs to report the following bill with a certain amendment:

Bill 74, An Act to amend The Financial Administration Act.

Mr. Speaker: Pursuant to the report of the standing committee is it agreed that Bill 73 and Bill 74 go to third reading? Committee of the Whole?

Agreed that Bills 73 and 74 go to Committee of the Whole, in the absence of unanimous consent for third reading.

Motions.

Introduction of bills.

The Hon. Minister of Social and Family Services.

DAY NURSERIES ACT

Hon. Mr. Wells moves first reading of bill intituled, An Act to amend The Day Nurseries Act, 1966.

Motion agreed to; first reading of the bill.

Hon. T. L. Wells (Minister of Social and Family Services): Mr. Speaker, in introducing this bill with amendments to The Day Nurseries Act, I would like to emphasize that the importance of daycare today cannot be overestimated. Good daycare helps the child in his development; provides a valuable service to parents, whether working or not; plays a special role for families where there are many small children, little money and few opportunities for enrichment; and provides handicapped children, such as the mentally retarded, with activities to meet their special needs.

Today The Department of Social and Family Services supervises more than 800 nurseries providing half-day and full-day programmes. This is double the number of only five years ago. The department spends about \$5 million today on day nursery programmes; this is double the amount of only two years ago and \$1 million more than the budget last year.

To encourage further the development of Ontario's daycare programme, I have introduced the following amendments to The Day Nurseries Act. In the past the government has provided an 80 per cent grant to municipalities which renovate existing buildings to make them suitable as daycare centres. Now that many communities have experienced the benefits of day nurseries and incorporated them into their long range social service planning, the need for assistance with capital costs has become apparent.

An amendment to the Act enables the department to share with the municipalities the cost of buying or building premises for the first time where the nursery occupies the

full building or only part. Capital grants of up to 50 per cent of the cost of erection of new buildings, an addition to an existing building or the purchase or acquisition of an existing building are available to municipalities or to Indian bands. The capital grant provisions, which will exist in addition to the previous renovation grant provision, will enable municipalities to incorporate daycare facilities in the planning of community projects.

Another new direction the province is embarking upon is the provision of subsidies for family daycare. Family or private home daycare involves a person looking after five or fewer children under 10 in a private home. This programme is particularly helpful for families with infants or children of various ages and in areas where transportation to day nurseries is not available.

For the first time municipalities will be eligible for an 80 per cent subsidy from the province for their costs in using family daycare as they are now with public or private nurseries. The amendments to this bill enable a municipality to enter into an agreement with a person or organization for the provision of private home daycare. The municipality may make expenditures as are necessary, such as supervisory staff costs and training, to provide this care.

By providing subsidies to municipalities they can provide supervision of daycare homes themselves or purchase this service from a private nursery or agency. This amendment, Mr. Speaker, will encourage municipalities to provide daycare in a private home for families who cannot pay the full costs of such a service. This has important implications in areas such as northern Ontario where more formal daycare facilities may be rare.

We feel it is important that such a programme have certain safeguards for the protection of the children. Homes which are approved for subsidy will be expected to meet certain basic requirements such as health, safety, fire and nutritional standards. We will encourage municipalities to offer courses of instruction for persons providing family daycare in their homes. These persons would, where possible, be closely linked to day nurseries in existence in their community or municipality, for continuous guidance and stimulation and for enlarging play opportunities for children in their care.

Mr. Speaker, with these amendments, Ontario introduces capital grants to day nur-

series and subsidies for family daycare. This is the government's recognition of the essential importance of daycare as part of today's social services, both in the formal daycare centres and in private homes. These provisions, Mr. Speaker, will give increased impetus to this province's rapidly accelerating programme of daycare.

CORPORATIONS TAX ACT

Hon. Mr. Winkler moves first reading of bill intituled, An Act to amend The Corporations Tax Act.

Motion agreed to; first reading of the bill.

Hon. E. A. Winkler (Minister of Revenue): Mr. Speaker, by way of explanation, for the purposes of The Corporations Tax Act, section 4(a), machinery and equipment that is acquired in one year but not used in that year is deemed to have been acquired and used in the year in which it is first used.

REGIONAL AND MUNICIPAL GRANTS ACT

Hon. Mr. Bales moves first reading of bill intituled, An Act to amend The Regional and Municipal Grants Act, 1970.

Motion agreed to; first reading of the bill.

Hon. D. A. Bales (Minister of Municipal Affairs): Mr. Speaker, provision is made in this bill whereby additional financial assistance can be provided to various regional municipalities and the areas within those regions.

REGIONAL MUNICIPALITY OF OTTAWA-CARLETON ACT

Hon. Mr. Bales moves first reading of bill intituled, An Act to amend The Regional Municipality of Ottawa-Carleton Act, 1968.

Motion agreed to; first reading of the bill.

REGIONAL MUNICIPALITY OF YORK ACT

Hon. Mr. Bales moves first reading of bill intituled, An Act to amend The Regional Municipality of York Act, 1970.

Motion agreed to; first reading of the bill.

DISTRICT MUNICIPALITY OF MUSKOKA ACT

Hon. Mr. Bales moves first reading of bill intituled, An Act to amend The District Municipality of Muskoka Act, 1970.

Motion agreed to; first reading of the bill.

REGIONAL MUNICIPALITY OF NIAGARA ACT

Hon. Mr. Bales moves first reading of bill intituled, An Act to amend The Regional Municipality of Niagara Act.

Motion agreed to; first reading of the bill.

Hon. Mr. Bales: Mr. Speaker, these bills covering the various regions include a number of amendments requested and required by the various regional governments to facilitate local administration.

EXPLORATION, DRILLING, PRODUCTION, STORAGE OF OIL AND GAS

Hon. Mr. Bernier moves first reading of bill intituled, An Act to regulate the Exploration and Drilling for and the Production and Storage of Oil and Gas.

Motion agreed to; first reading of the bill.

Hon. L. Bernier (Minister of Mines and Northern Affairs): Mr. Speaker, by way of explanation, in 1970 the responsibility for regulating the exploration and drilling for and the production and storage of oil and gas was transferred to The Department of Mines and Northern Affairs.

It is the purpose of this Act to ensure the proper and equitable development of the province's petroleum resources. The bill sets forth licensing requirements for all aspects of exploration, drilling and production, and provides for the making of regulations respecting oil and gas conservation and the safe operation of drilling and production facilities.

Mr. T. Reid (Scarborough East): I move, seconded by the member for Essex-Kent—

Mr. Speaker: Just a moment, until I am sure there are no further government bills.

The member for Scarborough East.

SECONDARY SCHOOLS AND BOARDS OF EDUCATION ACT

Mr. T. Reid moves first reading of the bill intituled, An Act to amend The Secondary Schools and Boards of Education Act.

Motion agreed to; first reading of the bill.

Mr. T. Reid: Mr. Speaker, the purpose of the bill is to enable all children enrolled in schools for trainable retardable children under the jurisdiction of a board of education to attend both morning and afternoon classes without regard to age restriction.

At the present time provincial legislation discriminates against such handicapped children by forbidding them to attend school full time even if qualified medical personnel believe that it would be in their best interest to do so.

Mr. Speaker: Before the orders of the day, I would once again have the pleasure to advise the members of the names of the young ladies and young lads who have served so well these past weeks as pages for the members of this Legislature and to have them recorded in Hansard.

It is my hope that in the days to come more than one of these names will appear on the roster of members of this august assembly. Some of this group have already left us; some will be leaving tomorrow and some will be serving us until the House recesses.

Those who are presently completing their tour of duty are as follows: Lorne Cook of Toronto from the riding of Parkdale; Jay Donnelly of Dundas from the riding of Wentworth North; Joan De Monte, of Toronto, from the riding of Humber; Beverley Down, of Toronto, from the riding of York South; Paul Fraser, of Fonthill, from the riding of Welland; Peter Fulda, of Milton, from the riding of Halton West; Peter Gellman, of Toronto, from the riding of York-Forest Hill; Robert Lavery, of Agincourt, from the riding of Scarborough North; Scott MacLennan, of Kincardine, from the riding of Huron-Bruce; David McCaig of Cobourg, from the riding of Northumberland; John McGregor, of Toronto, from the riding of York East; John O'Callaghan, of Sudbury, from the riding of Sudbury East—

An hon. member: He is going to be an astronaut. He is picking moonstones.

Mr. Speaker: He is picking moonstones!

Paul Patterson, of Merrickville, from the riding of Grenville-Dundas; Brent Stief, of Listowel, from the riding of Perth—

Mr. Sopha: He is going to be an astronaut.

Mr. Speaker: Tim Strome, of Hanover, from the riding of Grey South; Leslie Stewart, from Guelph, from the riding of Wellington South; Ann Van Vliet, from Brampton, from the riding of Peel North; Don Weaver of Don Mills, from the riding of York Mills; Chris Westcott, of Scarborough, from the riding of Scarborough West; Simon White, of Kemptville, from the riding of Grenville-Dundas; and Stephen Wilson, of Etobicoke, from the riding of York West.

Hon. Mr. Wishart: Before the orders of the day, I would like to table answers to the following questions on the order paper; questions No. 2, 3, 6, 18, 19, 25, 26 and 28. [See appendix, page 3683.]

Mr. Lewis: Mr. Speaker, on a point of order, sir, before the orders of the day, reverting to a theme which has been raised before in this Legislature and appealing directly to the House leader: The business of the House has now reached proportions, since legislation is being called in these latter hours, that the conflicts for members are really becoming quite untenable.

It is perhaps legitimate to have one committee sitting in conjunction with the House. We now have two very major committees sitting in conjunction with the House, and it makes for very difficult discussion of legislation. There are a number of members who must be at the human resources committee because they are taking rather critical votes on the clause-by-clause-analysis of the University of Toronto bill. The minister will appreciate the full import of that. The estimates of The Department of Trade and Development are on at the same time.

We are now moving into a number of second readings, some of them in very important legislative areas. I am sure it is true of all caucuses that there are members who have portfolio responsibilities at least, who cannot possibly be in two places at one time, particularly when there are specific votes being taken.

I do not quite know how to resolve this problem, Mr. Speaker, except to appeal to the minister that we should not be dealing with legislation when there are two committees meeting. As a matter of fact, we

should not have two committees meeting concurrently with the House.

At the most there should be one committee and when we are, in fact, dealing with legislation on principle, I suppose in committee or any other time, the House leader must surely give serious consideration to absolving the committee of its work, to be convened at 4:30 or 5 o'clock, whenever the legislative debates are over and start then. I really think that it is making it quite untenable for members of the House to participate adequately.

Hon. Mr. Wishart: Mr. Speaker, I appreciate the points raised by the hon. member and I share his views actually. I think we will shortly come to the point where only one committee at least will be sitting; and that, perhaps, for not too much longer.

The rules of the House at present do allow the business of the House to proceed along with the work of committees. I do not think, perhaps, it is the best arrangement when certainly many committees are sitting; two of our several committees happen to be sitting. I realize that it hinders some members in taking as full a part as they might wish in some of the debates here, and I hope that situation will shortly resolve itself.

In the meantime, I just have to say, Mr. Speaker, that I think all members desire us to get on with the work and we shall have to proceed for the moment in that way. I will take the matter up with my colleagues and the Prime Minister (Mr. Davis), and see if anything could be done to alleviate the situation, which I appreciate.

Mr. Nixon: Mr. Speaker, on a similar point of order, is the House leader considering changing the hours of sitting so that we might fit in these committees and consideration of bills?

Hon. Mr. Wishart: Mr. Speaker, this is under consideration. One matter has definitely been resolved; I do propose to move that next Wednesday be a sitting day, and at the moment I am considering sitting through the mornings of at least some of the days next week. I shall be able to inform the House as to that decision, I would hope, later today, certainly not later than tomorrow.

Mr. Lewis: This is the war of attrition in the last week, is it?

Hon. Mr. Wishart: No, it is an effort to get work done, and it is important work. I am sure the hon. member shares my attitude.

Mr. Lewis: I do not mind sitting in the House but it will take time getting stuff through, and if it cannot be done in the afternoons and evenings—

Hon. Mr. Wishart: I am sure, Mr. Speaker, that all members are anxious to work the whole day, if necessary, in order to get the work done.

Mr. Lewis: Mr. Speaker, I wonder if I could ask the minister this question: I do not know why the Premier need necessarily be consulted—it is presumptuous on my part, Mr. Speaker—but would have thought that enough authority was vested in the House leader that he could make an autonomous decision about the ordering of the business.

Hon. Mr. Wishart: I do not like doing business that way.

Mr. Lewis: He does not. His position as House leader is purely to do that which the Premier instructs him?

Hon. Mr. Wishart: No, not quite.

Mr. Lewis: Well may I say, Mr. Speaker, that it would be very reasonable if the House leader agreed today to the disbandment of at least one of the committees, if not both, while we were discussing legislation.

Mr. Speaker, can I give a very obvious and particular example which I think is quite reasonable? We have three people on the human resources committee; we are not allowed the right to change those people unless we register it in advance in the House, and because we do not know what legislation is coming up when, that is not registered. One of those people happens to be the critic in a department where a major bill is coming before us and should lead off.

At the same time, there are very serious votes being taken in that committee this afternoon where every vote counts—student parity, University of Toronto bill, etcetera—where the minister has asked that all members vote.

How do we manage to reconcile the kind of competing interests which are thrust upon us by having all these committees concurrent? I really think it would make very good sense if, starting with today as a precedent, we discussed the legislation, got it out of the way and then went into estimates here and estimates there. We will live with that, but on legislation it is really quite impossible.

Hon. Mr. Wishart: Mr. Speaker, I can only say again I appreciate the point the member has raised and I realize the difficulty. I would only hope he might have raised this question, which I think he could have foreseen, some little time ago.

Mr. MacDonald: How? Why?

Mr. Lewis: It was raised a few days ago.

Mr. Nixon: Mr. Speaker, surely the House leader realizes that I raised the matter of concurrent sessions a full week ago and longer, and at the same time the minister said that he had some appreciation for the difficulty. Really, that is no excuse.

Mr. Lewis: And with respect, on the point of order, the legislation for today was announced at 10:29 Tuesday night and there has been no other opportunity to raise it. The committees sit quite arbitrarily. There is something inherently confused about the way the business of the House is ordered in these latter days of the session, and I urge upon the House leader that he take it under control because it is simply defeating the purpose of being here.

Hon. Mr. Wishart: I will take it under consideration, Mr. Speaker. I hope I may say this as a last word, that the rules under which I and all members of the House work were achieved by discussion and agreement.

Interjections by hon. members.

Mr. Lewis: This was never envisaged.

Mr. MacDonald: They were imposed in violation of the rules of the House.

Mr. Speaker: I think this point of order has been sufficiently discussed. Of course there is one view which is held by everyone but the method of dealing with it has not been established. I think we will have to leave it with the House leader because certainly Mr. Speaker has no authority with respect to the committees.

Orders of the day.

THIRD READINGS

The following bills were given third reading upon motion:

Bill 49, An Act to amend The Securities Act, 1966.

Bill 62, An Act to amend The Trustee Act.

Bill 66, An Act to amend The Venereal Diseases Prevention Act.

Bill 67, An Act to amend The Nursing Homes Act, 1966.

Bill 71, An Act to amend The Liquor Licence Act.

Bill 72, An Act to amend The Liquor Control Act.

Bill 75, The Tile Drainage Act, 1971.

Mr. R. F. Nixon (Leader of the Opposition): Mr. Speaker, just briefly on third reading. The point was perhaps overlooked that this bill comes into effect on the date it be proclaimed, and meanwhile the funds in the financial limit have already been exhausted. I think the problem, Mr. Speaker, is that it appears that unless there is a proclamation and some considerable amendment of the financial commitment the establishment of new tile drains during the summer will not be funded.

This, should have been raised earlier, perhaps, but I thought on third reading it should be brought before you, sir.

Hon. W. D. McKeough (Treasurer): That is not the same thing. It is my intention, sir, to ask for royal assent in the next few days and it will be proclaimed as soon after that as we can.

We are very conscious of the problem pointed out by the Leader of the Opposition and I would hope within the next couple of weeks the funds would start to flow again.

THIRD READINGS

(continued)

Bill 76, An Act to authorize the Raising of Money on the Credit of the Consolidated Revenue Fund.

Bill 77, An Act to amend The Ontario Universities Capital Aid Corporation Act, 1964.

Bill 78, An Act to amend The Public Service Superannuation Act.

Mr. I. Deans (Wentworth): Mr. Speaker, I would like to ask, on a point of order, why the 11th order remains on the order paper. Why do the people of Burlington have to wait the pleasure of the Ontario government in order to inaugurate the things that the private bills committee passed on their behalf?

Hon. A. A. Wishart (Minister of Financial and Commercial Affairs): My advice, Mr. Speaker, is that there are some matters in

the bill that are under consideration by the Minister of Municipal Affairs (Mr. Bales) that have not yet been solved; and for that purpose—for further consideration—the third reading is being delayed.

CITY OF TORONTO

Mr. Price moves second reading of Bill PR30, An Act respecting the City of Toronto.

Mr. D. C. MacDonald (York South): Mr. Speaker, I do not wish to speak with reference to the full spectrum of this bill because it covers a great range of things, but I do want to make some remarks with regard to section 16—section 17 in the original bill, section 16 in the reprinted bill. My concern with regard to this section is that it seems to me it is granting powers which are going to make it possible for the city of Toronto to avoid most of the normal protections and requirements with regard to new developments. It is rather significant that some years ago—some two or three years ago—by request of the former Minister of Municipal Affairs, there was included in the city of Toronto official plan a section known as 8.4 which reads as follows:

Notwithstanding any other provision of this plan, council will consider large scale development proposals such as the proposed Harbour City or Metro City development which have a major impact on the structure or character of the city only in light of the study of the area undertaken for the purpose or recommended policies for adoption in part 2 of this plan. Council will not make any amendment to any zoning bylaw to permit such development without first adopting such policies as appear necessary in light of the study in part 2 of the plan.

In short, the minister himself, the present Minister of Municipal Affairs' predecessor (Mr. McKeough) made a point of having in the city of Toronto official plan the requirements for the kind of study which would involve all of the possible ramifications of a development of the proportions that Metro City is going to involve.

When one bears the spirit of that in mind and takes a look at section 17, I am puzzled as to exactly why this government and this minister, presumably carrying on policies that have some continuity, would contemplate passage of a bill including all of these subsections.

I draw to your attention, for example, section 16. I do this by way of illustrating the principle—we will get into the detail when we get into committee. Section 16 subsection 1 says “the corporation may enter into agreements with any person,” and then it continues. Well, there is no obligation that there should be a bylaw for authorization of those agreements. The city solicitor, I am told, assures us that it will not be done without bylaw but it can be done without bylaw.

What you are doing is circumventing the normal assurance that there is going to be a bylaw and that bylaw will have to come before the Ontario Municipal Board for approval and, in coming before the Ontario municipal board, that there will be an opportunity for all interested parties to make their representations.

There is one rather serious area of circumvention. Secondly, there is nothing in this section that precludes the council availing itself of what strikes me as a very, very strange section in The Municipal Act, namely, section 335. Section 335 of The Municipal Act, if I may just inform the House, reads as follows:

The determination of a council as to the time when, the manner in which, the price for which, or the person to whom any property of the corporation that the council may lawfully sell shall be sold is not open to question, review or control by any court, if the purchaser is a purchaser who may lawfully buy and the council acted in good faith.

In short, once again, the wraps are off. The council can do as it happens to see fit.

Thirdly, if you take a look at subsection 4 of section 16, it reads:

Notwithstanding any general or special Act, when an agreement has been entered into pursuant to subsection 1, the corporation may by bylaw provide that subsection 2 of section 26 of The Planning Act does not apply to all or any part of the land described in schedule B hereto.

In short, Mr. Speaker, what the city of Toronto is seeking, and what this section is going to grant, is the right to circumvent all of the normal obligations under The Planning Act. They are going to get out from all of the subdivision requirements. The Legislature passed The Planning Act so that we would have the necessary safeguards to make certain that all of the public interests were going to be met. Why, in the instance of a development of the massive proportions

of this proposal, is private legislation being entertained which is going to make it possible for them, in effect, to circumvent the normal legislation?

In short, what I want to say on the principle of the bill—and we can get to the detail of it when we come to the committee stage—is that on a development which is going to involve massive amounts of money, some of it public, some of it private, a development which is going to have an impact on the whole central downtown core of Toronto, most of the normal requirements of legislation are going to be circumvented. They are going to be legally circumvented by the powers that are being conceded in this private bill.

In my view this is not in the public interest and I would like to solicit from the minister why, in the view of the government, this kind of thing should be tolerated.

Hon. D. A. Bales (Minister of Municipal Affairs): Mr. Speaker, I looked in my legislative book, but there is not a copy of the bill as amended. This came before the private bills committee, and at that point in time there was an amendment to the bill. I have asked the pages to bring me a copy, because I think the amendment there dealt with the problem that the hon. member is raising.

Mr. MacDonald: I have the amended one right here.

Hon. Mr. Bales: Thank you.

Hon. Mr. Bales: At the private bills committee an amendment was added which provided that prior to entering into such agreement there be a further amendment to the official plan relating to such lands as contemplated or herein approved under The Planning Act.

The hon. member referred to some remarks of my predecessor in reference to the official plan amendments for Toronto. This envisages a secondary plan coming forward and it will have to come to me as minister before any agreement is completed in reference to the Metro centre.

By reason of a secondary plan coming forward, it will have to go through the normal processes of council and be dealt with there, and so those who wish to make submissions and be heard will have that opportunity before it comes to the department and before agreements are completed in reference to this matter.

Mr. MacDonald: By way of a question, if I might, Mr. Speaker, just to clarify this. Is there anything in this Act that insists that it will be done by bylaw so that there will be an opportunity for a review of it by the Ontario Municipal Board, and therefore, in any hearings, permit representations by all interested parties?

Hon. Mr. Bales: When it is done under the official plan arrangement of The Planning Act, then there must be a public meeting in reference to that matter before the council, wherever it is done under the official plan, not necessarily by a bylaw, though there may be a bylaw involved with part of it.

But in any event it is dealt with by council, before council, and the people can make submissions at that time. It comes to me and there is provision there so it can then be referred to the Municipal Board if necessary.

Mr. MacDonald: By the minister?

Hon. Mr. Bales: Yes.

Mr. E. R. Good (Waterloo North): Mr. Speaker, on second reading of the bill, the Toronto bill, Pr30, there were many things in the bill originally, Mr. Speaker, which did not meet with the approval of many citizens in Toronto, or of many people in responsible positions as well as many of us in our caucus here. However, I think the discussion in the private bills committee eliminated the three major objections to the bill which we in this party had.

First was the matter of expropriation by the city for private development. This was objected to very strenuously and was deleted from the bill in committee. This, I think, met with the approval of everyone in this caucus.

The second major objection was the relief of liability by those dealing with pension and trust funds in the city of Toronto, and this we felt was going beyond the necessity and beyond proper legal responsibility to relieve people who were dealing with pension funds, to relieve them even of fraud. So that section of the bill was properly amended to permit the city of Toronto to take out insurance on these and to bond these persons instead of to relieve them of the liability.

Then the third section, the contentious section of 16, which permitted the city of Toronto to enter into agreement with developers of the Metro core area without having to tie themselves down to certain sections of The Planning Act and The Muni-

icipal Act, I think was dealt with at considerable length. Objections were made by many people there, as well as by the people of CORA, the Confederation of Ratepayers Associations.

In the final analysis, I think the amendments there, to my mind, were interpreted as being that when the official plan is amended—as it will have to be for this development—by necessity it will have to carry sufficient detail so that all aspects of the agreement will comply; in fact the two will have to go hand in hand, according to my understanding, so that the amended official plan will, in fact, mirror and specify exactly the same as the agreement. It will be impossible to amend the official plan without knowing prior to that what will be in the agreement with the developers. That being the case—

Mr. MacDonald: He nods affirmatively. I think we should get that on the record.

Hon. Mr. Bales: Well, I was present at the private bills committee—

Mr. MacDonald: No, but you agree with the contention? That any amendment of the official plan would in effect have to incorporate the details of any proposed new plan or development?

Mr. Good: Of the agreement.

Hon. Mr. Bales: The secondary plan would be an amendment to the official plan and it will be the kind of detail they presented at the private bills hearing. It was not complete at that time and is still not complete, but before they can complete the agreement they would have to present that amendment to their official plan to me to be dealt with.

Mr. MacDonald: I am sorry, Mr. Speaker, by way of—

Mr. Good: Mr. Speaker—

Mr. Speaker: The hon. member for Waterloo North.

Mr. Good: The minister can reply at the conclusion.

Then my interpretation of the amendments was that the agreement would have to be completed and would of necessity almost have to accompany the amendments to the official plan, so that the amendments could be made in such a manner as to accommodate the agreement that was drawn up between the city and the developers.

This being the case, then as the amendment reads—

Provided that prior to entering into such agreement there be further amendments to the official plan relating to such lands as contemplated therein approved by The Planning Act—

—this then would simply mean that before the official plan would be amended, the planning board of the city of Toronto would have had, by experience and in practice, sufficient opportunity for public debate, so that it would be available to the general public of the city prior to the amending of the official plan to accommodate the agreement. There also would be opportunity for public debate at any OMB hearing which would be held to relieve the municipality of a vote for the expenditure portion of the agreement. This would be another opportunity for official public presentation. The municipality then being bound by the agreement, having of necessity bent to comply with the official plan amendments, also would have had numerous opportunities for a public debate prior to the time when it is given to the minister for approval.

Any objections to that official plan amendment voiced by the public then, could still be heard at a further date before the Ontario Municipal Board, as I understood the procedures that would follow with this amendment. So, basically, Mr. Speaker, we in our caucus were satisfied that the amendments to section 16 gave the public not one but numerous opportunities for public expression with the Toronto city planning board, the Toronto council and later the OMB if such a hearing would be heard. So we are satisfied, if that is the correct interpretation of this amendment, that the public interest has been served by this amendment.

Mr. MacDonald: Well, Mr. Speaker, just a question—

Mr. Speaker: Yes. Will the minister accept a question?

Hon. Mr. Bales: Yes.

Mr. MacDonald: Is the hon. member for Waterloo North correct when he states that in any proposed new amendment to the Toronto city official plan the details of an agreement would be publicly available? Whether or not they are going to become part and parcel of the amendment to the official plan, would the details at least be

fully available so that the public would not, in effect, be buying a pig in a poke?

Mr. Speaker: The minister now has the floor to reply in closing debate on second reading.

Hon. Mr. Bales: Mr. Speaker, we are dealing with two separate things here. One is the amendment to the official plan, the other is an agreement. It was stipulated that the amendment to the official plan would have to come forward from the city, be dealt with by them in the normal procedures, be submitted to the Minister of Municipal Affairs and be approved before any agreement as envisaged under this section could be completed in reference to the Metro centre.

I am sure the agreement would have to be drafted and developed concurrently with those amendments, but it could not be completed until such time as the official plan change or amendment had been finalized.

There will be hearings in reference to the official plan and that official plan has to deal with all of the detailed type of arrangements envisaged under the Metro centre, not necessarily all detail in any agreement that they might enter into, but rather the public kind of arrangement or planning matters that would be affected by it, so that the public would be well aware of those conditions.

And also, as is the normal case with an official plan amendment, objections can be filed with the minister and if necessary I can refer it to the Ontario Municipal Board for hearing. I would not refer it to the board unless the matters could not be resolved satisfactorily.

Motion agreed to; second reading of the bill.

Interjection by an hon. member.

Mr. Speaker: It does not go to committee unless it is asked for by the House in the case of private bills. And it is not up to Mr. Speaker to ask for the direction. It goes automatically to third reading unless the House otherwise directs.

Mr. D. M. Deacon (York Centre): Mr. Speaker, can that bill go to committee?

Mr. Speaker: Is it agreeable that it go to Committee of the Whole?

Agreed.

HIGHWAY IMPROVEMENT ACT

Hon. Mr. MacNaughton moves second reading of Bill 89, An Act to amend The Highway Improvement Act.

Mr. M. Gaunt (Huron-Bruce): Mr. Speaker, I have a few comments with respect to this bill. I would say at the outset we support this legislation although not quite so enthusiastically as the Premier. He was almost ecstatic on its introduction; he could hardly contain himself. Certainly we do support it.

Hon. C. S. MacNaughton (Minister of Transportation and Communications): He contained himself pretty well, as he always does.

Mr. Gaunt: There are some things in it, a number of changes we would like to see. We will deal with those in committee. I will perhaps mention one or two of them in the course of my remarks.

I just say that while we support the legislation now, I think we would have supported this type of legislation more vigorously had it been introduced some five years ago or perhaps sooner.

Mr. Nixon: During the minister's first tenure.

Mr. Gaunt: During the minister's first tenure, right!

The difficulties which the department has gotten itself into in recent months with respect to transportation was the result of no clear-cut policy in public transportation other than to build roads. This, of course, implied that man and his machine were permanently wed. It implied that the automobile and its use was going to increase substantially and perhaps disproportionately.

As I said in my estimates I think it was rather obvious perhaps five years ago that there was a shift taking place in the emphasis. It was becoming obvious that people were not bound entirely to the automobile, but the minister and the department at that time paid no attention. However, bygones are bygones and we will leave the past to speak for itself.

Undoubtedly the bill before us, Mr. Speaker, places the municipal public transportation expenditures on a basis equal with the municipal road expenditures. I think that is one of the points of contention that we have, that the expenditure for public transportation and subway construction and

other modes of public transportation should be more than the 50 per cent.

This results, in our view, from the obvious shift in emphasis which this government has given to the whole matter of public transportation, the fact that finally our people in authority, people who are responsible for public transportation, have said: Look, we realize that we cannot go on this way with the congestion and the pollution and all those problems associated with tremendous urbanization. The problems associated with great concentration of people in a limited area are too great, and we have to move them from place to place by some other fashion.

The government obviously recognizes that. That being so, I make the point that while the expenditure now for public transportation is on the same basis as the expenditure for road construction and maintenance, I am suggesting to the minister that it should be more. This would indicate to municipalities, especially the large urban municipalities, that the government views the use of public transportation as a very important item and, that being so, the encouragement would be embedded in the grant structure to see that municipalities embark upon modes of public transportation before they would build expressways and other road systems to accommodate the automobile. That is one point I think that the minister should take under consideration in the amending, if that is possible, of this bill.

I think it is fair to say that under the bill, the implications are far-reaching. They undoubtedly will have a considerable impact on our total transportation system. The Premier, in his opening comments, indicated that it would add a new dimension to the provincial-municipal partnership. That is so. In my view, I think it is time that a new dimension was added.

Let me review the parts of the bill and the principles involved in those parts with which I concur. I think there are a number of them. It makes possible massive initiation of public transportation systems on the part of the various municipalities across this province.

That is good. As I indicated before, I think it should be 75 per cent. But we can argue figures all day with the minister. Perhaps 75 per cent, it could be argued, is an arbitrary figure; why not 80 per cent or 90 per cent? I am simply saying to the minister that I think there should be more

emphasis on the public transportation side. At the moment it is equal.

The grants, I presume, will be available to help subsidize a transit system deficit; that is my understanding of the bill. That poses a number of questions. As I read the bill and put a certain construction on it, it seems to me that a public transit system that is operating at a deficit now will qualify for 50 per cent of that deficit, providing of course they can maintain a certain level of service, and providing of course they can justify to the department the fact that they are operating at that deficit, or indeed at a deficit at all.

I am wondering, in view of that, how this would affect the public transportation systems in a number of municipalities that operate under private bills. For instance, I can think of one that operates under a private bill, where it is indicated in the bill that the system should—well, indeed has to—operate at a breakeven point over a period of 20 years. I presume that problem is met under section 14, clause 4, where it says:

Notwithstanding the provisions of any public or private Act, a municipality may contribute toward the cost of any public transportation service provided within the municipality, and the operators of such service shall apply such contribution toward such cost.

Now I presume, if I read that correctly, Mr. Speaker, through you to the minister, I would take that to mean that any private Act which has set a public transit system in any city across this province is actually nullified in so far as the provisions to allow it to operate at a breakeven point; in other words, any system that is operating under a private bill and is required to operate at a breakeven point. Those provisions under the private bill are nullified and the new provisions under this Bill 89, sir, become operative and apply under those circumstances. If that is not so, I would like the minister to clarify that point.

I think we can be thankful for small mercies, Mr. Speaker. The bill does double—in some cases, it more than doubles—the capital assistance provided for the construction of subway systems. I believe that will help immediately Metropolitan Toronto, and to that extent it is good. Municipalities will also get more by way of advanced payments for road and transportation spending. This is good too, in my view, because I think it will lessen the borrowing that municipalities will have to do. The advances come on

April 1 and July 1, hence the requirements of the municipalities for money will be lessened, and in all likelihood this will remove a large burden they have borne for a number of years in that in many cases they had to borrow large sums of money to keep operating. So it does have a very important impact on that point. Indeed, it will affect the operating costs of the municipalities. In effect, it is really providing a subsidy beyond the percentage indicated.

I am very much attracted also to the provision in this Act which means that the method requiring municipalities to approve bylaws for road and street expenditures in order to qualify for a provincial grant has been eliminated. I think that is a good provision; it will certainly cut the red tape as far as the department is concerned, and it will cut the red tape as far as the municipalities are concerned. So that is a good provision.

The other thing which I mention in passing is the fact that there is now no need under the provisions of this Act to have ministerial approval for bylaws appointing county or township road superintendents or altering their salaries or allowance. I think that is good.

We have had a number of cases, not many, but I can think of two, where the municipality wanted to make some adjustment either by way of employment with respect to the road superintendent or in altering a salary of a road superintendent, and they were not allowed to do so. That was not in the hon. minister's time, but really the townships and counties are big boys now and I think they can look themselves. They are responsible people who should have the jurisdiction to hire and, if the case may be, fire road superintendents and to alter and adjust their salaries accordingly. I think this is a reasonable and sensible approach for the department to take.

In summing up, Mr. Speaker, I just reiterate again that we support the bill. There are one or two points in it—I have mentioned one in particular, the 75 per cent subsidy to rapid transit systems rather than the 50 per cent—there are a number of other minor points which perhaps could be dealt with, but that is the main point that I would like the minister to consider.

Finally, it is hoped that the bill will move forward the intentions of the government to spur municipalities into the public transportation field, and in that regard perhaps

it is one step forward, certainly by no means the final one, toward evolving a transportation system of excellence. I am sure that is what we all desire.

Mr. Deans: Mr. Speaker, I have a few remarks to make in regard to the principles in this bill. I am sure that every municipality in Ontario will be happy, of course, to receive the additional funds and to be taken out from under the thumb of government where those things are going to occur.

On pages 1 to 9 of the bill, the government deals with a number of changes, changes that are long overdue. Those are changes that ought to have been brought in some years ago, as were mentioned by the member for Grey—

Mr. J. Renwick (Riverdale): Huron-Bruce.

Mr. Deans: Huron-Bruce!

I do not intend to deal with those because we agree substantially with everything in those sections of the bill. But under parts 12a and 12b we find ourselves in some disagreement with the manner in which the government has determined its policy.

I want to say to begin with that we feel and I think the government probably would agree—that in the area of financing public transportation, be it above or below surface, it is time that the federal government became involved. It is time that some additional financing was made available from the federal government level for the purposes of providing public transportation. And I hope that the government of Ontario will be pressing continuously at Ottawa to have The Department of Urban Affairs involve itself more directly in making moneys available to municipalities for the purpose of putting in reasonable and acceptable public transportation systems.

I also want to suggest in that regard, while those consultations are going on, that it might not be a bad idea if the provincial government were to press home the point that it is time the railroad rights of way were made public and that the Province of Ontario should not be required to lease or rent the use of the rail space from the two railroad companies involved. It is time that just as highways are public, railroad rights of way should become public also and they should be available for use by the various levels of government in whatever way they see fit in order to move their people and goods.

On section 2 of the bill, I want to turn for a moment to the introductory remarks made by the Premier; he said:

The introduction of this bill will have far-reaching effects for the transportation needs of this province. They will shape transportation systems in the final decades of this century and have a profound impact on our lives and those of our children.

A gross exaggeration, if I might say so, when consideration is given to the contents of this bill. It is fairly obvious in section 12a that this was hastily conceived to try to pull the government out from underneath the problems it had found itself in with regard to the Spadina Expressway. It is quite evident that not nearly enough thought was given to this.

A 50 per cent grant for the purpose of building subways is not nearly adequate; the municipalities, even Metropolitan Toronto, will have considerable difficulty in raising the additional 50 per cent required in order to proceed with any kind of reasonable subway transportation system. And while it is a move in the right direction, one might say, from the previous position where the only grants available were for the beds themselves, it is time that we began to recognize that the municipalities are facing financial crises the like of which have never been faced before and that the more progressive means of raising taxation that is available to the provincial government ought to be used to provide the necessary funds, if we are serious about changing the mode of transportation of the people of this province, if we recognize the need for that kind of change.

We have suggested, and in line with what was suggested by the hon. member for Huron-Bruce that 75 per cent would have been a more realistic figure in dealing with making moneys available to municipalities for the purpose of providing subway transportation methods. We realize that the 50 per cent is an improvement, probably, in the total expenditure, up from around 18 per cent that was previously given in Metropolitan Toronto, recognizing that the 50 per cent that was previously given was only on the bed.

That it is an improvement, a decided improvement, no question! But we feel in this day and age it is not adequate. That if you are serious, if this government is serious, about altering the transportation methods in this province, and if in fact the statements of the Premier in introducing the bill are not exaggerations then we must be prepared to put up even more substantial amounts of money in order to ensure that Metropolitan

Toronto in particular, and other major centres in general, will be able to embark upon programmes that will enable them to have the kind of subway transportation at a cost that the people who live in that area can afford.

One would like to think that the government's attitude and view is that we will be moving away from the expensive building of highways that has been going on over the last 10, 15 or 20 years, and that some of the money that is now used in that area will be channelled into the area of providing rapid transit within municipalities. Well I suspect that will not be the case. I suspect we will find that we will spend just as much money on highways in the coming years as we have spent in previous years and the money that is going to be spent here will be additional moneys.

And the reason will be that in actual fact the municipalities will have to continue the building of highways and roads to carry the vehicular traffic simply because the grant that will be made available by this government will not be sufficiently enticing to get them into the area of mass and rapid transit. In particular, one area of this that is disturbing is that it does not appear that the government has made allowances for any form of grant for parking. The acquisition of and the availability of parking for people who will have to travel by automobile to the terminus points of the subway transit systems, will have to be borne entirely by the municipality, from what I can glean from the Act.

I suggest that this is a deficiency, if it is indeed true. The minister should be prepared either to spell it out, so that it is easily understood, or to make an adequate or suitable amendment, in order to ensure that there will be moneys made available for that very costly undertaking. The acquisition of property for parking is as costly as the acquisition of property for any other purpose associated with the providing of a subway system, and that must be included in this bill.

In addition to that, there ought to be some move under way by the government to encourage regional governments, in particular, to set up transportation authorities that will be co-ordinated with the transportation authority of the Province of Ontario. This should be one of the prerequisites in regional areas of the receipt of grants for these purposes. We need, in fact, an overall policy statement by the government in regard to its aims and objectives over the next decade, or

perhaps the next 20 years, and of what it intends to see happen in the Province of Ontario with regard to the movement of people by way of public transportation.

We need it clearly defined so that it will be easily understood. There is no point in saying to a municipality to go ahead and build or to develop a rapid transit system, if the government's policy is in another direction and it continues to build super highways. I feel that there has to be a very clear, definitive statement, particularly dealing with the Toronto-centred region, but in general, dealing with the province as to how moneys will be allocated within the province's responsibility for the determination of what kind of transportation programme and system we are going to have.

We suggest also that in the case of major metropolitan areas, that if the government were to move to the 75 per cent level, which we think is more realistic, that there ought to be set up a fund, at either low or no interest, that municipalities can avail themselves of on a loan basis for the remaining 25 per cent. We think this makes some sense. It eliminates the problem of the municipalities having to borrow and to debenture. I think that this could be accomplished reasonably easily.

We have to recognize, and I am sure the minister does recognize, that in regard to the development and building of subways, that 50 per cent of the total subway cost is considerably more than 50 per cent of the cost of building a road. It might have been adequate to provide a 50 per cent subsidy for road building. It certainly is not adequate to provide a 50 per cent subsidy for the building of subways.

Under section part XII-B, we have a number of objections, ranging in a number of different ways. To begin with, we feel that there is far too much ministerial discretion permitted in this section. There is no way that a municipality can reasonably start to plan a transportation system or to expand the transportation system or to plan for the future development of an existing system under these ambiguous clauses. There is no guarantee here of any moneys, let alone guarantees of sufficient moneys to assist municipalities. This whole section 2, subsection 2 of part XII-B section 91c reads:

The minister may, having regard for the expenditures made by a municipality in respect of public transportation, including where applicable expenditures in respect of,

He goes on to state then:

And having regard for the revenue produced by the operation of the public transportation service, determine the extent to which such expenditures are eligible for financial assistance.

Surely it would make more sense to establish on a per capita basis a grant structure where they would know in advance what they could reasonably expect to get under any given set of circumstances. Then they could properly plan, not only the existing operation, but future expansion of their transportation system. Surely it would make more sense to say right at the outset that a municipality of a certain size, perhaps, or a municipality with a particular kind of transportation system would be eligible for a grant on a per capita basis, and that they could then apply for that grant and they would know that they would receive it. They could then undertake a fairly extensive, if they wish, or a limited if they wish, expansion programme that would enable them to provide transportation for all of the people in that particular municipality.

What we are suggesting to you is that you should have established a \$5 per capita grant—that there should have been established a \$5 per capita grant structure, rather than this ambiguous structure that you have, and then municipalities could have understood exactly what they could expect to receive from the government, based on whatever regulations are set up; that this, if calculated across the Province of Ontario, would have amounted to something between \$25 million and \$30 million, which, if this government is serious about promoting transportation, is a rather small sum.

If this government is serious, considering that we spend something in excess of \$500 million each and every year in The Department of Highways, it does not seem to be a particularly large sum to offer to municipalities on a \$5 per capita basis—\$25 million or \$30 million—to change the mode of transportation of the Province of Ontario. I do not think that the government is too serious in its pronouncement about its desire to change the transportation means. I do not see any indication of it.

Hon. Mr. MacNaughton: But then the member is a suspicious fellow, as I say.

Mr. Deans: Well, I cannot help but be suspicious. Having been here now for 3½ years, one cannot help but be suspicious about the government.

Mr. MacDonald: The confusion in which they exist at the moment leads to suspicion.

Hon. Mr. MacNaughton: The member for York South has been confused ever since I have known him.

Mr. Deans: It seems, if we took a look at what this would mean to some major municipalities, we would find that in Ottawa, with a population—

Hon. Mr. MacNaughton: The member for York South has not come very far in the time he has been here.

Mr. Deans: In Ottawa, with a population of 450,000, a grant of \$2.25 million would be received. This would turn their 1969 deficit of \$850,000 into a \$1.4 million surplus.

Now if it is the government's intention to promote public transportation and to encourage the development of public transportation, then it should be prepared not only to absorb a portion of the deficit—which makes sense—but also to put up some money so that the municipalities can enlarge on the systems that are already there, and to provide a better transportation for the people of that municipality. This \$1.4 million that would be a surplus to Ottawa could then be applied for the purpose of providing a better transportation system in keeping with the pronouncement of this government.

But what has the government done? Very little. It has agreed to absorb, or purported to agree to absorb, 50 per cent of the deficit, so that in actual fact they will still be operating at a loss, they will still not have the money to enlarge on the system, they will still not have the money to make the system viable, and therefore will end up with perhaps a little less-poor system, but certainly not a system that will be in any way changing the face of the nation, as the Premier stated in his opening remarks.

Mr. Gaunt: Landmark legislation.

Mr. Deans: Right!

In Thunder Bay, with a population of 100,000, they would with a \$5 per capita grant, receive a half a million dollars. This would turn the 1969 deficit from \$400,000, to a \$100,000 surplus. It would provide \$100,000 for Thunder Bay to spend to improve and enlarge the system that they presently have, and this apparently, from the Premier's statement, is the intent of this legislation.

In St. Catharines, another municipality facing some rather serious financial difficulties, they also would receive a half a million dollars and would turn their deficit of \$165,000 into a surplus of \$335,000, and it would enable them to provide the kind of transportation system that the government dreams about in its legislation but for which it does not provide any concrete evidence of financial backing to achieve.

You know, the dream, the concept as put forward by the Premier is a reasonable concept and we have been suggesting this for a number of years. Of course we should be encouraging the development of public transportation for a number of reasons, including the protection of the environment and of course we should be as a province engaged, directly engaged, in ensuring that we move toward mass transit.

We are not going to do it with this kind of piecemeal, willy-nilly, toothless legislation that provides so much discretion for the minister; that provides no opportunity for proper planning at the municipal level; that provides inadequate sums of money used simply to salve the conscience of the Ontario government for its total and complete failure to come to grips in the earlier stages with the Spadina expressway debacle. It is pretty evident to everyone in this House that it is an attempt by the government to ease its own conscience in regard to Metropolitan Toronto and to try to slough off to some extent or to a major extent the needs of the major areas and the remainder of the province. It is not nearly enough—

Hon. Mr. MacNaughton: But the member will vote for them.

Mr. Deans: It is not nearly enough—

Mr. C. G. Pilkey (Oshawa): The minister is not going to be able to sell half a loaf. It will not wash.

Hon. Mr. MacNaughton: But the member is going to support it.

Mr. Deans: The basic criticisms of it will come back to haunt you. The minister, instead of easing the burden of the portfolio, will be faced with a continuous barrage of requests which he will be unable to deal with because the finances will not be available.

He will be forced, as other ministers are forced on a day-to-day basis, to say "I would like to help you but we do not have the money," which is typical, rather than set-

ting out in clear form what money will be made available and then allowing the municipalities to plan their affairs independently and properly. I suggest, while saying that the principle is reasonable and while saying that we will, with some reluctance, accept it, that if the minister were prepared to accept these kinds of reasonable changes—

Mr. Pilkey: The minister can throw out those half loaves.

Mr. Deans: —this would provide, at least in half measure, for the kind of transportation and for the kind of changes that the Premier stated were going to come and which cannot possibly come within the terms of this legislation.

Mr. Pilkey: Hear, hear!

Mr. Deacon: Mr. Speaker, I am pleased that we do have this Act, but I wish I could be more enthusiastic about it. Frankly, I was so appalled by the many omissions in the Act and the concepts that I have some reluctance in supporting it. But I have gone along with the view that a little crumb is better than nothing at all.

One of the facts that the minister seems to miss in this legislation is the fact that at this time public transportation is not being given an equal share, an equal opportunity, by just giving it 50 per cent. The property taxpayers of this province now are subsidizing the motorists to a great extent and the percentage of subsidy that is moved toward the public transit field should be higher and greater to overcome that.

The two areas where we now have a substantial subsidy given the motorists by the property taxpayer are, in relation, first of all, to the fact that the road allowances which are vast now, are becoming greater all the time as these swathes of concrete are being laid across the province. They are tax exempt; they do not contribute in any way to municipal revenues whereas major portions of our public transportation system—the railways in particular—make substantial contributions to the tax revenues of municipalities.

The other thing is that in a city such as Metro Toronto, some \$10 million or in excess of \$10 million a year is paid by the property taxpayers toward the maintenance of roads which are primarily used by the private motorist. This is snow removal and for traffic control and for repair of the streets over and above the grants that are made by The Department of Highways. Because of this hidden type of subsidy that the motorist receives,

the province should be offsetting that subsidy by making the grant for public transportation higher. Only in that way are we going to move the planning of transportation over to emphasize much more the public transit side. Toronto, Metropolitan Toronto, in the last several years has been spending \$2 on public transit for every \$1 on expressways mainly because of this grant deficiency. This will improve it somewhat but I understand from people at city hall this morning that the actual improvement resulting from this Act, in the form of assistance to subway construction, will not be as great as we hoped it to be. It will nearly be doubled by this, whereas it should be increased to a much greater figure.

For example, the minister should realize that in the design of the Spadina project which has now been shelved, one of the aspects and serious deficiencies with regard to the public transit side, is that of providing a means to public transit riders of getting to their buses or cars. It is the total interface problem. If the minister studies the situation at either Warden station, or Islington station on the Bloor subway line, he will see that there is complete chaos in traffic close to those stations, which results in the public transit vehicles being slowed down materially and making use of the subway much less attractive than it otherwise would be.

It is important that there be important subsidy assistance so that there is justification for the municipality to construct special lanes for public vehicles such as buses, and perhaps taxis or mini buses, or whatever the minister and the municipalities in the future want to do to replace the motor car in moving commuters. I think that the member for Wentworth has a good point when he says that we should be working towards an annual allocation of money towards transportation rather than the percentage grants, but at this time I am disappointed that in the percentage grant the minister has not recognized, and his advisers have not recognized, the fact that they have to overcome by the grant the present deficiency in assistance to public transportation because of the hidden subsidies the motorist now gets from the property taxpayers.

A second item I was sorry not to see brought up in this bill is the deletion of fuel taxes for public transit vehicles. It seems to me ridiculous that vehicles which are operating under municipal franchise should have to pay fuel taxes when, as I have already mentioned, the property taxpayers are pro-

viding a hidden subsidy through the fact that they do have tax exempt road allowances and they are providing 50 per cent, and in some cases, more than 50 per cent of the cost of maintaining the streets that the motorists use. I think in this legislation we should definitely have removed the fuel taxes which are a major cost in the operation of these municipal public transportation systems.

The third point is the fact that there are such costs as the fuel taxes which should not be borne by the public transportation systems. We are considering a subsidy to cover the deficits only. This does not encourage municipalities to operate efficiently because they know that they are going to get their deficit covered regardless of that. Because of this it could encourage poorer service. They could, if the minister would have this whole matter of assistance conditional upon integration with provincial scheduling of public transportation, whether it be rail, or fitting in with bus schedules, and have certain standards of scheduling, such as even publication and posting of schedules, having certain standards as far as fares are concerned. These are things that could be done not only to encourage municipalities to operate better but I think with a different type of assistance they could even be working toward operating the system at a break even, or better than break even basis. I do not think there is anything wrong with public transportation being given operating assistance. I think it is good providing capital for replacements; but I think the minister should reconsider the method of just giving assistance where there is a deficit, because deficits sometimes arise because of poor operating procedures. This has been well illustrated by a study of the operations of the CN and the CP when they have brought forward their proposals for abandonment of service.

So I suggest that in those areas the minister and his advisors have shown considerable lack of imagination and understanding of the basic problems required to introduce a well integrated public transportation network that is so badly needed by this province.

Mr. Speaker: The hon. member for Yorkview.

Mr. F. Young (Yorkview): Mr. Speaker, some time ago the Prime Minister arose in this House. He promised us a brand new day in transportation. We saw the fireworks and the bursting rockets and all the rest of it, glorious to behold for the future, but when

the minister brought in the legislation it turned out to be a firecracker and perhaps a damp one at that, and we are disappointed that the vision which the Prime Minister gave to us and showed us, has resulted in this kind of legislation. It is, I suppose, par for the course for this government but at the same time it is the kind of thing which the people of Ontario hardly deserve in view of the promise that was given.

Now, as we plan for viable cities of the future, Mr. Speaker, we have to think in terms of services for those cities. Up to the present time we have thought that when we put in a city, or a new section of a city, or a subdivision, we plan that the people have roads, they have sewers, they have water-mains, they have light and other things of that nature. Up to this time we have not insisted that transportation of a public nature be provided for, mainly because our thinking has been that the people who move in will have cars and if no public transportation is provided they will have two cars and they will get around somehow. Only in recent years have we come to the conclusion that that just does not work any longer, that what we are doing is destroying our cities with this kind of thinking, that if we are going to have cities of the future for people and designed around people, civilized cities, then we have to have something better than that. We have to look in terms of public transit being a viable and integral part of the planning for every subdivision and for every new area and for every new city, if we ever come around to the point where we are going to build new satellite cities around the metropolitan areas.

What this government has done, in fact, is opted out of the choice. Instead of giving us leadership, instead of showing us exactly how we are going to reach this future that the Prime Minister talked about, they are now saying: we will give you 50 per cent for public transit or 50 per cent for roads, take your choice. And since high priced transit is needed the municipality will look at it and say: well now we will not get quite as much if we build the sophisticated rapid transit as we will if we build the highways. Then they are apt to go for the highways.

My colleague from Wentworth mentioned certain things which I also mentioned in the committee some time ago when we were discussing estimates. There is no question that a \$5 per capita grant to our municipalities for this purpose would be a much bet-

ter plan than the 50 per cent which the government now proposes. It would be an incentive for efficiency; the municipality would know what it is going to have for the future; it would know how to plan and anything that is left over after expenses are paid could go right into improving the transit system. And as the member for Wentworth has so well shown by examples, this could result in a great deal of assistance that could result in more efficiency all round.

As far as the situation in the one area of Ontario is concerned which is now facing the problem of immediate action in public transit, that is Metropolitan Toronto, speed is the word.

Mr. V. M. Singer (Downsview): Whose word? Not the government's?

Mr. Young: No, but speed is the word as far as the people are concerned and as far as the people's needs are concerned.

When the Spadina Expressway was stopped then we had a brand new, as I said before, a brand new concept of what this government was going to do, but it did leave tremendous confusion, in the minds of all the people in the metropolitan area I think, as well as in the minds of this government. What is going to happen? Nobody knew. The government did not say and the government is not yet giving leadership as to what is going to take the place of the Spadina Expressway, which was stopped by the action of the Prime Minister and his cabinet.

Mr. Singer: The member and his colleagues thought it was a great decision; they said so.

Mr. B. Newman (Windsor-Walkerville): The member voted for it.

Hon. Mr. MacNaughton: A change of heart now!

Mr. S. Lewis (Scarborough West): No, no change of heart.

Mr. Young: That is another matter. It is another matter.

Mr. Pilkey: No, it is a good statement.

Mr. Young: We believe in the long run that public transportation is what is needed, that rapid transit must come but this government, this government, instead of giving leadership immediately—

Hon. A. F. Lawrence (Minister of Justice): We have not got a candidate tied down in St. George yet.

Mr. Young: —and having a plan of action—

Mr. Lewis: I know, they have not. They cannot convince him to run.

Mr. Young: —the government is still without that plan. It still has not had these meetings that have been talked about and we are still in the dark as far as the government is concerned.

Mr. Lewis: It has been extended.

Mr. Young: Now I have suggested to the government, and have been suggesting for some time, that it should take immediate action in establishing a GO Transit line up the west alignment to Woodbridge and to Weston, on out to Malton, and as far north above Woodbridge as needed and the minister says that is being seriously considered. That will help and the faster it gets there, the better for the people of northwest Metro. But the other matter is that there is desperation in the minds of people to know what the government is putting in the place of the "Stop Spadina" in order that people can get downtown and out again with reasonable speed. Now what they want is for the government to get going.

Mr. R. F. Ruston (Essex-Kent): Walk on air!

Mr. Young: I think a lot of people simply want to know what the government's plans are and how fast they are going ahead with them. Now, this 50 per cent is not going to do the job and if Metropolitan Toronto council starts to move, they still face a very big fiscal responsibility.

What has been suggested by both opposition parties makes some sense if the government is not going to go for the per capita grant—that is a 75 per cent grant instead of the 50 per cent.

Hon. Mr. MacNaughton: Oh that is oversimplification; it is an arbitrary figure.

Mr. Young: That will help. This means that we can start with some real speed. It means that the metropolitan council knows that the financing is available to get contractors to work, contractors to work not starting from downtown gradually working out to the north, but contractors working from both ends and from several points along the alignment so that rapid transit can be rapid transit in fact as well as in theory and that the people who need transit can get it soon. It is all right to talk about building

a mile of transportation each year for the next 10, 15, 20, 25 years in Metropolitan Toronto. That, Mr Minister, is not fast enough.

Hon. Mr. MacNaughton: But nobody has ever talked about it.

Mr. Young: I beg pardon?

Hon. Mr. MacNaughton: Nobody has ever talked about it, except the member in this House.

Mr. Young: Well this grant might speed that up a little bit, not too much. I would hope, as I have said before, I would hope that the new Department of Urban Affairs in Ottawa is going to take its job seriously, that it is going to set up some sort of a grant or a loan arrangement so that municipalities can have enough funds that they can hurry this job along.

But if the federal government fails, as it has failed so often in so many things, then the provincial government should do as my colleague has suggested and set up some kind of low interest loan fund for the rest of this so that speed can, in fact, be the word for the future. Speed of construction, speed in getting these facilities into operation. This is the kind of thing that is needed and the minister knows it and knows it well. I would hope we will have this kind of action soon, that this bill can be amended in the light of events so that is a practical bill. I would bring to the minister's attention that delay in this regard is costly too. He may say that this 75 per cent plus the loan fund is going to cost this province money. It is, but what is it going to cost if we delay? What is the social cost of delay; the social cost of the frustration of the kind of experience that people have to go through day after day in getting to work and getting from work all around areas like Metropolitan Toronto and others in this province? And so the social cost has to be weighed against the financial cost and we have to face up to the fact that sooner or later, that cost has to be paid in some kind of coin. And I say far better to pay it in the coin of the realm and get this job done and done speedily.

The only way it can be done is for an increase in the kind of aid which the province is going to give to the municipalities in getting rapid transit started in this province, and so, I appeal to the minister to make these changes and to bring this bill

back. Reprint it with a more practical approach to the whole matter of rapid transit in the Province of Ontario.

Mr. Speaker: The hon. member for Downsview.

Mr. Singer: Mr. Chairman, I have listened with some interest to the various members in relation to this bill. The comments already made relative to grants to road construction speak for themselves. I wanted to deal particularly with those parts of the bill that deal with subway construction and with public transportation.

As the member for Yorkview mentioned a few moments ago, there was a great deal of clanging of cymbals and ringing of bells preceding the introduction of this bill and it was part and parcel of the new wave that was being introduced in keeping with a brave and bold decision to stop Spadina. And somewhere along the line, Mr. Speaker, the impression got abroad, I would suggest it is found in the remarks of the Premier, that in stopping Spadina and in favouring—and his wonderful phrase was “people instead of automobiles”—it is a rather fascinating concept. I wonder who dreamt that up. Is that a Marty Goldfarb phrase?

Hon. A. F. Lawrence: Never have!

Mr. Singer: “People instead of automobiles.” Marty Goldfarb—I understand he was fired.

Hon. A. F. Lawrence: Seen the highway statistics lately?

Mr. Singer: I just have a great picture of the disembodied automobile taking over all by itself and the kind of mind that brings itself to making that sort of the clarion call to action, the sign of the new wave. We do not like automobiles. We like people. And who runs automobiles if it is not people?

Well, that is very obvious, but nevertheless, this brave, bold move took place and we stopped Spadina and somewhere, Mr. Speaker, there had to be some kind of an alternative. Some members of this House—many members of this House—thought it was a great plan. Let us stop Spadina. And it was hailed and applauded inside the House and by very few people outside the House, but it was hailed and applauded as a great advanced step until a little later, we began to look at how much had been thrown away in dollars.

I note today that there was tabled in the House, in answer to a question as to costs, the government seems to indicate that \$74 million has been wasted, which is non-recoverable. They do include a note a little later on about Metro quoting a charge of \$9 million in interest which would make it \$83 million. I have done some research in this. My figures would indicate that, in fact, \$140 million has been thrown away, and I do not accept the answer that was given.

But I think, just for the edification of the minister, perhaps, he should note that Metro advises that their expenses for debentures already approved and sold are \$35 million. There is an equivalent provincial commitment of \$35 million. There would have been a saving, if the expressway was finished together with rapid transit, of \$20 million, and the evidence for that is quite clear in the testimony given by Mr. Day and other TTC officials before the Ontario Municipal Board. The Department of Highways cost on the interchange is \$10 million. That is more or less in a weaselly fashion confirmed in the answer to question 19 that was tabled here.

And then, Mr. Speaker, there are debenture interest charges of six per cent. The debentures will run for 20 years and they will cost the citizens of Metropolitan Toronto some \$44 million.

That is a grand total of \$144 million, but that is not all lost, because there are 145 properties that Metro still owns. I am advised that the best estimate of salvage will be some \$4 million. So the next loss would appear to be in nice round figures, \$140 million, the substantial portion of which is going to be borne by the municipal taxpayers of Metropolitan Toronto, whose plan of a balanced scheme of road and rapid transit has been destroyed at one fell swoop in the desire to create this new impression, to build up this new wave, to show that the government is really different. Different it is; on planning it is, wasteful.

But, hopefully, people thought that there was going to be an alternative. Bill 89 apparently was supposed to be that alternative. So let us look at Bill 89. This was going to do what the government had stopped being done in other ways and was going to compensate to some extent the taxpayers in Metropolitan Toronto. For subway construction, there are going to be grants on something called the Bloor-Danforth subway and the Yonge Street subway.

That is fascinating by itself, Mr. Speaker, because, to my knowledge, the Bloor-Danforth subway has been completed some years ago, and is in operation. There are no present plans that I know in existence to change or extend it or to rip it up and put it down again, or to stop cars from going on it without people. They have trains that carry people and it is all there. So the government in its usual way is going to make a substantial grant available apparently to the Bloor-Danforth subway in Metropolitan Toronto, if we build it all over again. I would like the minister to tell me why you have included under the definition of subway, the Bloor-Danforth subway.

Hon. Mr. MacNaughton: It is not yet finished.

Mr. Singer: They were a little late on the Yonge Street subway. They are going to give some grants on that. The Yonge Street subway was completed to Eglinton many years ago. There is an extension now being built from Eglinton to Finch. The substantial portion of that is, again, being paid by taxpayers of Metropolitan Toronto. They have come into the picture very, very late. There are maybe two years of construction yet to go. So, to some very minor extent, there may be some kind of a benefit. But I can recall, Mr. Speaker, not too many years ago, when we started to build subways. We had already exhausted the funds set aside by the TTC and the first subways were built in Toronto solely out of money that the TTC had been able to put aside by reason of its good management. They built the first subway, and then when we wanted more subways we had to build them on our own.

I can recall very well coming into this House and asking the gentlemen who inhabit the front row whether or not there was going to be any money given for subways; and challenging the Toronto cabinet ministers, one after the other—the member for St. Andrew-St. Patrick (Mr. Grossman) and the member for St. George (Mr. A. F. Lawrence), and the member for Bellwoods (Mr. Yaremko)—to stand up in their place and say: “Let us have some money for subways in Toronto.”

Each one of them said: “Oh, that is not government policy. If we gave money for subways in Toronto we might have to give money for subways in Owen Sound or in Goderich or in Wingham or somewhere else. That is a terrible thing. We cannot give money for subways in Toronto.”

Now, suddenly, the government has crossed the Rubicon.

Hon. Mr. MacNaughton: The member never heard any of that other garbage—

Mr. Singer: Garbage or not, now suddenly the the government has crossed the Rubicon. If by any chance, Metropolitan Toronto is going to rebuild the Bloor-Danforth subway, it can count on the Minister of Transportation and Communications to give a grant. That is about what this bill is worth.

What alternative has the minister brought forward for the two million people who live in Metropolitan Toronto who want action and want action now? One would think that with what is supposed to be the collective intelligence that resides in the minds of the cabinet, and with all the expert advice that is available to it, that at the same time as it was reaching this ridiculous conclusion to cancel Spadina, it would have been able to say, “At least here is the plan we are going ahead with and here, citizens of Metropolitan Toronto, are the dollars that are going to replace the dollars that we let you spend, that we encouraged you to spend, that we forced you by contract to spend.”

You recall, Mr. Speaker, I am sure you recall, the day when a gentleman named Mr. Goodfellow was the Minister of Highways, and Mr. Goodfellow wrote a letter to Mr. Guardhouse the clerk of Metropolitan Toronto saying, in 1962, signed by his own hand, and I have a copy of the letter here, saying:

The department will undertake to provide an interchange at 401 and proposed Spadina providing the following conditions are met, (1) that the metropolitan council agrees irrevocably that the expressway will be built from 401 to Bloor Street as a fully controlled access expressway.

That is what Mr. Goodfellow said, he was the then Minister of Highways, and he followed that up with another letter. I am sorry, that was the second letter from which I just read a quotation followed logically from a letter dated December 28, 1961, also signed by Mr. Goodfellow and addressed to the clerk of the metropolitan council.

Well perhaps one could argue that Mr. Goodfellow came from another era, and perhaps we could not rely on Mr. Goodfellow. What happened after that? Mr. Goodfellow went on his way and then there happened to be an agreement dated November 5, 1963 between the municipality of Metropolitan

Toronto and Her Majesty the Queen in the right of the province of Ontario, represented by the Minister of Highways for the Province of Ontario, and I have a copy of that agreement here. You will never guess, Mr. Speaker, who signed that agreement on behalf of the Province of Ontario.

Hon. Mr. MacNaughton: Come on, tell us!

Mr. Singer: Right here on page 8, here is the signature. I am not sure about the initials, but the last name certainly is MacNaughton. C something MacNaughton, and I would presume, Mr. Speaker, that must be the gentleman who is now the Minister of Transportation and Communications.

An hon. member: Charlie MacNaughton.

Mr. Singer: Yes. He is the fellow who signed the agreement. The agreement mind you, results from Mr. Goodfellow's insistence that Metropolitan Council irrevocably agree to building the expressway from 401 to—

Hon. Mr. MacNaughton: Why does the member not go on the stage?

Mr. Singer: —Bloor Street. Well, Mr. Speaker, there is—

Hon. Mr. MacNaughton: Very dramatic!

Mr. Singer: —the clause that the corporation, and this is clause 2, on page 13—

Mr. Lewis: It is a little embarrassing to the minister.

Hon. Mr. MacNaughton: Very little!

Mr. Singer: I am sorry; subclause 2 of section 13, on page 6, which says:

The corporation further undertakes to proceed with the orderly and the expedient construction of the expressway, so as to ensure warrant for the department's expenditures for the interchange.

What could be more clear than that? The insistence in writing in letters, in correspondence and in a contract signed by no less a person than the minister himself, Metropolitan Toronto council was irrevocably committed legally, to embark on this programme of expenditure that has cost the taxpayers of Ontario \$144 million, and cost the taxpayers of Metropolitan Toronto much more than half of that. And with one stroke of the pen that is all wiped out; the contract is abrogated; there is no compensation.

The hon. member for Riverdale is a great believer in compensation, and I am sure he would argue that there should be some compensation as well as for the offtrack betting shop operators, for the people of Metropolitan Toronto. But there was no compensation and in lieu thereof we get Bill 89, which is going to give us some grants for the Bloor-Danforth subway. We do not get the government into this at all. We do not get the government offering any alternatives. There are a few sops that are handed out, yes.

We get some more meetings and some more committees, yes. But we get no answer to the people of Metropolitan Toronto, who at least through their elected representatives made definitive decisions that were concurred in and endorsed and insisted upon by the government of Ontario, and we get a whole quadrant of Metropolitan Toronto which is going to be denied, for the foreseeable future, any reasonable means either of public transit or of alternative road transportation.

What does the government offer? A grant for the Bloor-Danforth subway. Mr. Speaker, the whole thing is ludicrous. The whole thing shows the shallowness, the ineptness of this government and one has to come to the conclusion that there just really is no thinking behind any of the so-called important decisions that they make.

Yes, we will support the bill as my colleagues have said, but this bill is another chapter in the series of tragedies that this government inflicts on the people of Toronto. Its word is meaningless, its statutes are very little help, and it continues to take advantage of the people who have to depend on it—at this moment there is no alternative, when the election is called there will be—without providing any reasonable method to assist them in their planning, in their development, and in their need for organized transportation, both by public transit and by road.

I would like to hear the minister get up and begin to justify this kind of decision. I would like to hear him explain the reasons why the government has so lightly thrown aside the letters written by Mr. Goodfellow and the contracts signed by the present Minister of Transportation and Communications. And if he has time, I would like to hear him say whether, in the opinion of his legal advisers or in the law officers of the Crown, he would believe that perhaps the citizens of Metropolitan Toronto have an action for breach of contract against the government of

Ontario—because the contract is here, it is signed—and to what extent the government of the Province of Ontario would be prepared to defend such an action.

Mr. Speaker: The hon. member for Hamilton East.

Mr. R. Gisborn (Hamilton East): Mr. Speaker, I am going to be very brief in speaking on the principle of this bill. I want to try and just assure myself that there is not an inequity in the bill, in the principle of the bill, that I have noticed over the many years I have been in the House and the fact of the bringing about of this bill has been revealed, I think, ever since the government made its decision to cancel the extension of the Spadina Expressway.

Its decision was made, I believe, in a different way than this government usually operates. One can usually anticipate actions that are important and, where there is a well of public opinion prior to some action being taken, one can almost anticipate in what direction the government will go.

In regard to the cancellation of the Spadina Expressway, of course, it was a decision on everybody's mind. The cabinet finally made its decision to reverse the decision of the Ontario Municipal Board, and, of course, this was supported by our party. It was applauded by many in the Toronto area and, of course, it was opposed by many.

But the decision, I feel, was brought about by a degree of participatory democracy that this city has never seen before and the people in Toronto became cognizant of their power and their desires to make decisions and to attempt to force government to make decisions and, in some sense, we must say they won their point.

Then it seems, in the political sense, that the government, to make some appeasement I feel for the position it took—after they took what they felt was, or admitted to be, a courageous stand in reversing the position of the Municipal Board—they went back and said to themselves, "Well, we have to face a lot of strong, powerful flak in this great metropolitan city of Toronto, there is no doubt about that."

When we get people such as the council and the mayor and certain long-time experts in the field of municipal development feeling very bad about the decision and claiming that it would spoil the whole public transportation system in Toronto for many years to come, this must have been considered a very

courageous decision to make. Nevertheless it was made and now we have this bill which in some sense has to be considered as an appeasement to the opposition to that decision in the Toronto area.

Fine, I am not going to deal too much with the ramifications of the bill, but the principle of equity to which I want to refer is that in my term in this House, and in the spending of government money, rightly or wrongly, it has been said by many parts of the province that as goes Toronto, goes the province; and as goes the province, goes Toronto.

Mr. Lewis: And as goes the Sault, goes nothing.

Mr. Gisborn: And just to reach the point of equity in the spending of the moneys, I understand that it has been mooted that some \$14 million is involved in the carrying out of the principle of this bill; I do not know what the financing of this programme is on a yearly basis or what the term is, but the figure of \$14 million has been mooted. If the 50 per cent subsidy to subway construction in Toronto takes half of that, let us say \$7 million, it leaves another \$7 million to distribute among the other municipalities in the province in whatever regard they make their application, whether it is for continued road-building, road maintenance or if they go into the other sphere of transit development or they want to renew their present transit facilities. There is maybe another \$7 million left. It does not seem fair that we just say that the 50 per cent is there for that purpose on this basis.

Must we not some time or other come to a different dollar value position if Toronto is going to go ahead, as the Act says, with the subway extensions, the completion of the Bloor-Danforth subway and the Yonge Street subway? If that is going to take a great part of that money, then there seems to be an inequitable position in regard to the rest of the province, and I wonder if the minister who is the Treasurer (Mr. McKeough) of this province, might explain if there is not some inequity in the distribution of funds in this fashion, where a great deal of the money would be spent on subway-developed construction in Toronto, while other municipalities would be getting a 50 per cent subsidy on their transit expansions and their road developments. There should be some other kind of a formula that would give them a greater dollar value in face of only getting half of the \$14 million that has been mooted.

I just make that point because it does seem to me that there might be a great inequity as far as the rest of the province goes with regard to the application of this bill.

Mr. Speaker: The hon. member for Windsor-Walkerville.

Mr. B. Newman: Mr. Speaker, I would like to make a few comments on this bill because at one time, as the critic of The Department of Transport, I tried and tried to emphasize and point out to the government the need for a better deal to the other parts of the Province of Ontario. It seemed to be that this government was solely interested in seeing that transportation was provided in the Toronto area rather than a fairly good level of transportation provided throughout all parts of the province.

The government first in its wisdom came along and substantially subsidized the GO Transit without any regard for the other areas of the province that sadly lacked a means of transportation. In fact, it was such that the transportation systems throughout the Province of Ontario would either have to substantially curtail services or if not curtail services, had to ask the municipality for a sizable subsidy.

It got to the point in many municipalities that the average individual who did not own a car and wished to attend church on a Sunday, if the church was a little past walking distance, he did not even have a bus system by which he could even go and attend church if he so wished. In my community, I know exactly that was the case, because transportation on Sunday is substantially reduced, and as a result those who would like to worship the Lord did not have the opportunity to go if they did not have some means of getting to the church of their choice.

So we can see that the government did not hesitate for one instant to provide for those who have everything, that is in the Toronto area, and it left the extremities of the province to struggle on their own.

I can recall, Mr. Speaker, making mention to the government that they should have attempted a fare-free system in some municipality on a pilot programme. They could have taken some smaller municipality and provided a free transportation system, a bus system, to see if that was part of an answer to the transportation problem, to the eliminating of the cars or minimizing the number of vehicles that clog our main thoroughfares and roads in any given community. I did not

think they should have gone into a large municipality but they could have tried some small municipality to see if a fare-free system of transportation could have been part of an answer.

I can recall likewise, as the critic, suggesting that one of the problems in the transportation field, and why bus system could not operate at a financial profit, was because of the heavy fuel taxes. The suggestion was made, time and time again, that the least the government could have done was to provide a tax fuel tax rebate to enable transportation systems either to survive or, if they were surviving, to provide a better type of transportation to a community. Today, with the lack of serviced land, and sometimes with serviced land being quite far away from the core of a city, the need for transportation has become that much more acute.

It is nice to see that the government now has seen part of the light of day, and is going to provide substantial or provide some financial aid to municipalities for their transportation system. Even though it may have been long in coming, we appreciate this little gesture. However, the subsidy that is being provided by this is not substantial enough. The minister should consider a substantially increased subsidy, and I would suggest that it should be in the range of 75 per cent. On ring road construction, the subsidy is 75 per cent to a municipality, so why should not a similar type of subsidy be granted to the municipality for a—

Mr. Lewis: To the minister is it still 75 per cent for expressways?

Mr. B. Newman: It is 75 per cent.

Hon. Mr. MacNaughton: For urban expressways.

Mr. B. Newman: Yes, for ring roads, expressways.

Hon. Mr. MacNaughton: For urban expressways.

Mr. B. Newman: Urban expressways, right; it is 75 per cent. I could not see why the minister could not consider and would not consider the granting of a 75 per cent subsidy for a transportation system in a community. In my own community the urban sprawl has made it extremely difficult for the bus system, which is no longer operated by the province but is operated by the municipality through an organization, or a corporation that is operating it for the municipality.

It finds it extremely difficult to provide the services that are needed to take care of the outlying areas.

Now, if there was a good transportation system, we would have found that thousands of cars would not have been brought into the downtown area. Our downtowns would look nicer by far. A lot of the parking lots that we have in the downtowns could be transformed into fairly nice parks. We could have beautified our downtowns; we could have attracted the shopper into the downtown area whereas, as it is today, the downtowns in some municipalities seem to be not as attractive and as appealing as they could be.

I would like also to bring to the minister's attention that the reason the busing of students to schools happens to be such a big business in some communities is because there is not a community transportation system that can take care of the students. It is as a result of the lack of policy on the part of the government in seeing or listening to the suggestions of the members in the opposition when they ask for years and years for some type of subsidy for transportation systems in communities.

Referring to the city of Windsor we happen to have two rail lines and I hope that in the minister's consideration of giving financial aid he would consider the use of the two rail lines or have it studied as to whether the two rail lines could be used to provide commuter services to those who live along the rail lines in exactly the same fashion as is GO Transit today in the city of Toronto.

Mr. Speaker, I could make a few more comments, but I would like to complete my remarks by simply asking the minister that we hope that from now on the outlying areas of the province receive a greater consideration than they have in the past and at least be treated the same way as is the megalopolis of Toronto.

Mr. Speaker: Does any other hon. member wish to enter this debate? The hon. member for Scarborough West?

Mr. Lewis: I think I would for a couple of moments, Mr. Speaker.

We have been unusually kind to the minister on this bill. To support it on second reading is an act of very considerable will on our part, a concession to the very minute concessions which the bill makes primarily to parts of the province outside metropolitan Toronto which have been seriously discriminated against hitherto, and therefore we felt that on those grounds there was some basis

for supporting the bill on second reading but it is without enthusiasm. I do not suppose the House would be divided, but had it been divided on second reading and we had to stand to support it, it would have taken a great deal to get most of us out of our seats because this bill is hardly either a tribute to the government or a tribute to the minister, haunted as he is by constantly holding the portfolio which is so largely deficient in public transportation for all of Ontario and the Toronto region in particular.

As was pointed out—I thought with some embarrassment—earlier on, it is the minister's signature which is affixed to the document which enshrines Spadina in contractual form and it is now the minister which presides over another bill, allegedly to provide alternatives which is in its own way so deficient that many years hence when it is referred to by the press in historical terms, it will by then have been abandoned.

The main fact I suppose about this bill, Mr. Speaker, is that it shows the essential fragility of mind, the transparent superficiality with which all of transportation has been viewed by this government. The government came to the conclusion that Spadina should be stopped and all of us applauded it for that. The government obviously exhausted its entire creative capacities in that one bold step, because having done so you then came forth with this bill with so many modest provisions as some kind of alternative to Spadina.

What really happened was that having made the decision to stop Spadina, hoping to inherit the kudos of the electorate, you suddenly realized on the morning after, as others had realized years before, that there had to be an alternative to the transportation system about which you had given no thought, or to which you had given no thought, despite the enormous numbers of plans and studies under our own aegis which preceded the decision to stop Spadina. Then frantically scrambling for some mechanism with which to retrieve what they were worried might turn into a political shambles rather than a political victory, as it clearly should have been, they emerged with this bill, a bill clearly of little thought and substance, the only thought and substance we are prepared to support, although I say without great enthusiasm for it.

It has a number of very clear deficiencies. The 50 per cent that the minister is giving to public transit, to rapid transit, is not just a symbolic figure as it were. I think the minis-

ter himself has indicated that by facial gestures through the course of the afternoon.

Hon. Mr. MacNaughton: Communicating back and forth.

Mr. Lewis: Right! I think it is called non-verbal communication.

The 50 per cent figure is in many ways a put-on. Fifty per cent by way of public transit subsidy now cannot begin to compensate for the imbalance of the previous generation, and any cabinet that thinks that it can walk into this Legislature and equalize what it is prepared to pay for roadbeds and for some subway construction and for some highways by suddenly providing 50 per cent to public transportation and that that will make up for the folly of the previous 25 years—does not know whereof it speaks.

It may be that the 50 per cent which is given to Windsor, to St. Catharines, to London, to Oshawa, to other municipalities may defray their operating deficits or perhaps allow them to contemplate the purchase of additional rolling stock—although the minister says nothing at all of where they will find the additional 50 per cent.

This kind of thing is perhaps a possibility, but in terms of a meaningful correction of the imbalance the bill does not give it. And when my colleagues, the member for Wentworth and the member for Yorkview said that it should have been a minimum of 75 per cent, or that it should have been a \$5 per capita basis for those municipalities with public transportation systems then they, Mr. Speaker, not this cabinet, have some sense of the vision of the future.

They understand that if you are then going to compete with a highway system which has strangled urban life in southern Ontario you have to provide the kind of incentives and inducements to public transportation which make qualitative difference. And this 50 per cent formula, while it may give a pittance to this or that municipality needing it desperately, will mean virtually nothing to the change in emphasis in the whole of urban southern Ontario society, not to mention the rest of the province, from the preoccupation with the automobile to the shift to public transportation, and we as a party applauded that Spadina decision because we wanted to make that shift.

And this bill does not begin to make that shift; this bill in fact is another little song of praise to the automobile. It confirms the pattern that has existed for the last genera-

tion, and that was largely reinforced by this minister. It does not really make the qualitative difference which we have argued for a long time and are prepared to support in this House any moment the government wants to introduce it in a meaningful way.

As a matter of fact, Mr. Speaker, the minister has intervened and other members who are more knowledgeable than I in these matters have indicated, he is still giving 75 per cent to urban expressways; he is still giving the same additional incentive to the expressway fixation which so much harasses parts of southern Ontario.

And I may say, Mr. Speaker, that that itself is another really critical liability in this bill, and the minister will have a lot to account for when he tries to explain a number of years hence why the transportation mix in Ontario has altered very little; bringing me to the second point I wanted to make. There is no conceptual plan which infuses or informs this bill at all. This is just a series of arbitrary subsidizing arrangements.

This government to this day has not begun to think of the kind of transportation mix it wants for the people of Ontario and particularly for the people of southern Ontario—if my colleagues from the north will forgive me for putting emphasis on the area of present preoccupation.

The minister has got a Metro-centred region scheme, a Metro-centred region plan which is obsessed with a labyrinth of expressways, whose entire arterial corridor running from Bowmanville to Kitchener is prefaced on homage to expressways.

Hon. Mr. MacNaughton: Not true!

Mr. Lewis: True! It most certainly is true.

They call it a parkway, through which they are going to put all their services, but we know what it amounts to. It amounts to a series of expressways, barrelling their way through metropolitan Toronto-centred region. As a matter of fact, it is all part of the same concept, eight million people packed into this part of the province by the year 2000 in an unending corridor of industrial concentration, from Milwaukee to Montreal, reinforced in their transportation systems by this government's parkway grid, which is in more realistic and honest terms an expressway system, and this bill shows nothing of a departure from that mental frame.

This bill simply says:

We will give you 50 per cent here or 60 per cent there. We will continue to give

you 75 per cent for expressways, but we are not committed to a new conceptual design for the way in which living patterns may be refashioned in southern Ontario. We are not prepared to commit ourselves to rapid transit above or below ground. We are not prepared to take the emphasis off the automobile in realistic terms throughout southern Ontario. No, having indulged ourselves in the exercise of stopping Spadina for all kinds of motives—

I will not even bother impugning them; it was the right decision—

—for all kinds of motives we now are not prepared to extend the principle further and to follow it through.

That was perhaps predictable with this government, but it required following through, because stopping Spadina was only the first step, and therefore the government is beginning to think of a second phase. Its second phase is so deficient that one wonders what they have been doing for 10 years. This second phase, in fact, runs counter to the historic quality of its initial decision, bringing me to the third deficiency and point I wanted to make, Mr. Speaker.

The last section of this extraordinary bill, the public transportation sector, gives to the minister, having regard for the expenditures made by a municipality in respect to public transportation and having regard for the revenue produced by the operation of the public transportation service, the minister determines the extent to which such expenditures are eligible for financial assistance. The minister has not even carefully worked through the criteria upon which the minister will base his judgment on what is eligible for subsidy for public transportation.

The minister includes a clause: "such other equipment, works or services, required for or in connection with public transportation as the minister may approve." You know what that clause means? It means that he turned to his legislative draftsman at the 11th hour and said: "My God, we do not even know what we mean by public transportation. Throw in a catch as catch-can phrase, so that I can pretend when the time comes to provide sufficient moneys" But he has given it no substance, he has given it no definition to speak of. There is no sense whatsoever of what public transportation means, even outside metropolitan Toronto, and that is what is so extraordinarily wrong with this whole bill. It is informed with such tepid, inconsequential platitudes of mind, such an absence

of imagination about what public transit might really be in southern Ontario, how we can alter the condition of life for people in the southern part of this province, through the province generally, if we only had some fortitude about it. All this ministerial discretion acts only as an absence for any substantial substance.

The members for Wentworth and Yorkview and Hamilton East, and others, have pointed out that the subway in metropolitan Toronto highlights the bill. I mean, that is what the bill is all about. I understand that, and the question the member for Downsview asked about the Bloor-Danforth subway is a very good question. Those of us who have used it from the Warden terminal, down to the centre of the city, have noticed that it has been there for a while. I understand it even extends to Islington. It is a worthwhile question to ask and it is a devil of a good rapid transit system. Would that there were more of them! I may say that the minister has obviously committed himself, to the extension of the subway line along Yonge, which was perhaps predictable, but hardly legitimizes a bill with all this falderal, simply to provide some additional money to extend Eglinton to Finch; that does not take 14 or 15 pages of a bill.

Mr. Singer: And three-quarters finished.

Mr. Lewis: And three-quarters already finished!

What this really shows, Mr. Speaker, if I may make the observation, is that the electoral implications which so dominate everything the government does has it in a state of real disarray over there. I want to tell the minister with all the heartfelt sympathy I can muster that everything the government did that was right and noble about Spadina, it is undermining with much of this kind of legislation.

The minister cannot break the mould sufficient to give substance to his programmes. He cannot take it the whole way. Everything is a half measure, and because it is a half measure it will come back to haunt the government, and because it is a half measure it will not be salable on the hustings. Because it is a half measure, the government will never persuade the public that it is anything more than the old regime replete with a few new foibles; that is all.

In fact, the minister has gone from highways to transport. I do not mean that in a deprecating way. I have admired him as a

minister in many areas, but I suppose in his own person he encapsules the plight of the government. He has gone from one transportation portfolio to another over eight years, which is, some might suggest, a certain inertia, and not unlike what has happened to the government as a whole.

The member for Downsview said, Mr. Speaker, that we wasted \$140 million on Spadina. I do not know exactly how much we wasted on Spadina. I am sure it was a considerable sum of money. I notice the Leader of the Opposition spoke recently. I think he substantiated the \$140 million figure. I am sure the figures worked out there are as good as the figures worked out by the government, and that whatever it is it is a significant sum.

We opposed the extension of Spadina, because whatever has been wasted thus far, is nothing compared to the dollar and human waste implicit in extending Spadina. We were not prepared to saddle the people of Metropolitan Toronto with what might have amounted to another quarter of a billion or more dollars spent on this expressway phenomenon, because it would have then had the crosstown; it would have then had the Gardiner and it would have had all the things which followed irresistibly from Spadina, not only destroying the whole of the urban core, but also spending so much money in such ways of folly that it was unconscionable.

Surely if the government has now shifted ground, since it signed that initial contract, and the angels have shone upon its countenance and it suddenly glimpses what might be done, surely it can do it in a fashion somewhat more imaginative and relevant to what public transportation in Ontario requires. The government is picking up some of the cost of the operating deficit for some municipalities, and I suppose in certain areas it may provide an incentive or two. I suppose in its own way it reflects at least the impression that there is room to move.

For those reasons, not entirely invigorating, we decided to support this bill on second reading, but will amend it or will try to amend it clause by clause. Let me say, in closing, it is not a bill of which the minister need be proud. It is a bill which reflects the absence of government.

Mr. Nixon: Mr. Speaker, whether the hon. minister admits it or not, this must be a very difficult afternoon for him, a deep valley, I would say, as criticisms of this legislation are levelled at him rather personally.

There have been occasions, Mr. Speaker, and you might recall them, when I have referred to the minister, the former Treasurer, as a hard-nosed, seed dealer from Exeter, and rather than be annoyed, as he sometimes is, he was pleased at that. As a matter of fact, I must say, I have always meant it as a compliment, feeling that in government of this province spending \$5 billion this year—not \$4.2 billion but \$5 billion—that a man who had made it as a businessman in a small town dealing with farmers who are good businessmen too, had risen to the position where he was the major financial spokesman for a period of his career.

It must be a substantial embarrassment to such a minister, who is prepared to take that description as a compliment, to be the author of legislation which admits a substantial personal misjudgement over the years. It admits something even more than that. It admits a political capacity to accept a change in concept which in some ministers would have led to their withdrawal from the cabinet. It has already been put on the record this afternoon this minister's personal responsibility as the former Minister of Highways for the development of urban transportation and specifically the Spadina Expressway.

It is interesting to hear people, as well-informed and knowledgeable and as sincere as anyone in this House, say that in fact the stopping of Spadina saved the province and the people of this province from tremendous expenditure. They are prepared to say admittedly \$140 million is a lot of money but nothing compared to what the losses might have been.

I am sure almost everyone in this House has gone up to see the fantastic excavation scratched out of the heart of Metropolitan Toronto, which is now growing weeds. Several bridges cross empty space where no cars will ever go, and there are many who say it is a good thing that no cars will ever go. The cost of the construction which will never be used is substantial.

The minister, in the answer to the question on the order paper made available today, indicates that \$9 million in interest has been paid. Surely it would have been fair to indicate that Toronto will pay \$44 million in the interest on its debenture for only its share in the construction of the Spadina Expressway section which will not be used.

The \$10 million in the interchange at the end of the Spadina Expressway, or at least where it crosses Highway 401, is well known

to everyone. Essentially it provides a private road for Eatons and Simpsons and Yorkdale, an arrangement which was entered into by the minister's predecessor, Mr. Goodfellow, at the time when Yorkdale was in the planning stage.

We know the homes and properties and businesses that have been expropriated. We have seen pictures of these properties with the broken windows and the boarded-up doors, the grass growing on the lawns because people have moved away thinking that those properties were going to be torn down in the path of the growing expressway. A highrise apartment was established close to the expressway by virtue of the re-zoning which seemed absolutely reasonable at the time. The costs are tremendous; they are far more in dollars than the \$140 million estimate that has already been referred to in the record.

It has been our position for a long time—and of others in this House, including independent spokesmen for the Conservative Party, the government party—that grants to highways, under the leadership and administration of this minister in his previous tenure in this office, really forced municipalities to decide on expressways when they were talking about urban transportation.

The figures have already been put on the record. They have not been 75 per cent for more than about four years; they were 50 per cent for a good long time, but 75 per cent would lead a council to say "That is the kind of transportation for us, we can get to spend some 25 cent dollars."

That is the kind of decision that municipal elected people will move toward. It is incredible that even in this bill the increase in support for public transit, rapid transit, subways and so on, only goes to the 50 per cent level. Surely to goodness, Mr. Speaker, this minister, if he is prepared to be as flexible as obviously he is prepared to be, would have insisted, as the reasonable person he obviously is, reasonable and flexible—do not get carried away with the reasonableness, put flexible in with that too—that 75 per cent support, at least bringing the rapid transit support by this government into a position of parity with highways, would be the only way whereby he could accept this flip-flop in personal policy without leaving the cabinet.

Mr. B. Newman: Right!

Mr. Singer: That is right.

Mr. Nixon: What kind of a commitment to public office has this minister, that he would be prepared to accept that kind of a dictation from somewhere else, perhaps to his left and perhaps not too far to his left, in this matter of public policy? The minister is aware of the money that has been committed to this and he is prepared to say, along with others, "What is \$140 million when it means that public policy is corrected?"

Certainly, Mr. Speaker, the taxpayers of this province want to be aware of what commitments have been made. If there is in fact a real reversal of policy—a real acceptance of the need for the kind of rapid transit and overall transportation programme that has been lacking for more than a decade under the few months of the minister's jurisdiction now and the many years of his previous jurisdiction, then surely there should be a fuller, more coherent statement on the part of this minister.

We have seen the MTART study, based on the transportation requirements of Toronto, Metropolitan Toronto, and the whole shadow of Metropolitan Toronto. I thought it was a good concept. I thought that the concept was an excellent one, but it somehow seems to have been forgotten, and MTARTS has been used to justify a number of plans and emanations which are considerably less valid than the idea of the establishment of the MTART study in the first place.

This bill, in doubling support for rapid transit, must be supported on that basis alone. The inadequacies of the change have been put forward by many others speaking in this debate, but I felt, Mr. Speaker, that I must put on the public record my view that this minister's personal responsibility for the decision, the one taken in recent weeks, but the real decisions taken in past years which led to this debacle, should give him pause.

I do not believe that he is a hard-nosed businessman. I do not believe that his competence in dealing with the affairs of transit in the broad—let us say the broad principle of providing transit—is adequate. This bill is inadequate. The minister's statements are inadequate.

The support for rapid transit at 50 per cent is going to give some advantage to areas outside of the Metropolitan area. There are many cities in this province whose public transit systems are bumping along under circumstances that are incredibly bad. I will not begin to name the towns—Brantford is one of them, and I suppose the 50 per cent assistance will apply there.

We have to recognize the good parts of the bill. There is no doubt about that. I have already expressed my sincere, and I hope forcefully expressed views on its inadequacies. The real flaw is not in this bill. It is in the decision and specifically the lack of decision over the last eight to 10 years. It has led the government to the debacle that it now faces and led this minister to what should be an afternoon of embarrassment.

Mr. Speaker: Is there any other member who wishes to speak on the bill before the minister?

The minister has the floor.

Hon. Mr. MacNaughton: Mr. Speaker, I made some notes as I went along. They do not seem to relate themselves to any particular theme, as I go back from the opening remarks to concluding remarks. There are some specific matters that I will try to come to and explain as far as the import or purport of this legislation is concerned.

Possibly for some general observations, I will start with the leader of the New Democratic Party and the Leader of the Opposition, and I think it is quite appropriate that some misconceptions be cleared at this time.

I am prepared to say to you, Mr. Speaker, and to the members of the House, that this bill, in its specific and immediate purpose and its application in the short term, is not intended to set out legislation with respect of a total new transportation plan. In its application I believe I can indicate to the members of the House and to you, sir—

Mr. Lewis: Remember the Prime Minister's statement about it?

Hon. Mr. MacNaughton: Let us pursue it from there.

Mr. Lewis: He said it has far-reaching effects on the transportation needs of the province.

Hon. Mr. MacNaughton: It is; it is far-reaching in its overall approaches, but for the—

Mr. Deans: They will shape public transportation systems.

Hon. Mr. MacNaughton: I paid quite a bit of attention, Mr. Speaker, while the hon. members were stating their opinions because I was interested in hearing them. But what I want to impress upon the members of the House is that I do not believe that what is proposed in here for rapid transit construction

assistance or public transportation assistance is, by any stretch of the imagination, the end-all and the be-all. However—

Mr. B. Newman: You bet your bottom dollar!

Hon. Mr. MacNaughton: Thank you for endorsing those sentiments. I appreciate that.

But what I am convinced is going to be helpful is that in the immediate circumstances, when a far-reaching decision has been made with respect to the Spadina Expressway, then some immediate form of assistance for alternatives is required. At this point in time, the only alternative that can be provided for in terms of early implementation in Metro Toronto are (a) rapid transit and (b) public transportation.

In urban communities outside of Toronto, with the possible exception of the larger ones—Ottawa and Hamilton might be examples—public transportation then becomes the only immediate area where assistance can be provided.

Apart from some other amendments to The Highway Improvement Act which have been accepted as satisfactory, certainly by the hon. member for Huron-Bruce, as being in the right direction—I think we will all agree with that—then the meat of this bill comes down to part 12(a), which is rapid transit or subway construction and assistance and part 12(b), which is public transportation.

I think it is fair to say, and to repeat with some emphasis then, that what is required in terms of total transportation policy becomes a bigger and a much larger ball game. I repeat: This is not intended to deal with that; it is intended to deal with some immediate problems. It will do that, and I think I can explain some of the ways in which it will.

Mr. Lewis: I wish everyone could be here to savour the minister's repudiation of the Premier.

Mr. Speaker: Order!

If the hon. member for Scarborough West wishes to ask a question, he will ask it and the minister will answer it.

Hon. Mr. MacNaughton: Mr. Speaker, I am not repudiating the speech of the Prime Minister. I deny that, and I ask the hon. member to stop saying it because I have denied it.

Mr. Lewis: The minister has repudiated it completely. Sure he has.

Hon. Mr. MacNaughton: This is landmark legislation as far as it goes—

Mr. Lewis: The minister has emasculated the Premier's commitment this afternoon.

Hon. Mr. MacNaughton: It is for early implementation—

Mr. Lewis: As far as it goes!

Hon. Mr. MacNaughton:—early assistance, and it is the forerunner of great things to come.

Mr. Lewis: It is the brave new world.

Hon. Mr. MacNaughton: Great things to come.

Mr. Pilkey: It was supposed to do it. That was it.

Hon. Mr. MacNaughton: Now Mr. Speaker, with that important distinction, I would like to get on with explanations of some of the particular items of the bill on their own merits.

Mr. Lewis: No wonder the poor fellow has a backache!

Interjections by hon. members.

Hon. Mr. MacNaughton: Reference has been made continually to 50 per cent assistance—

Mr. Singer: The problem is there are so many forerunners, they can never get down to cases.

Mr. Lewis: It is because the Premier is away that the minister is repudiating him. He would never do it to his face.

Mr. Speaker: Order!

Hon. Mr. MacNaughton: I repeat, Mr. Speaker, I am repudiating no one. This is supplementary to the whole programme that has to follow in altogether different terms.

Before I leave the generality of this bill, let me say to the hon. member and to the hon. Leader of the Opposition and others, no one recognizes more than the Minister of Transportation and Communications that in even the five-year period since he left a former portfolio, attitudes change. Attitudes have changed and changed greatly. They have been made manifestly clear I think to everyone in this House.

Five years ago the suggestion that we might have embarked on one course and abandoned

another would have been accepted in altogether different terms. It could not have been implemented then, notwithstanding all the admonition we are getting from the hon. members in this House today. Attitudes today permit us to make these decisions and go forward from here in terms of the development of a balanced transportation programme that in many respects could not have been undertaken five or 10 years ago.

Mr. Deans: The minister is just incapable of providing leadership.

Mr. Lewis: The minister might even try to change attitudes rather than waiting for them to form on their own.

Hon. Mr. MacNaughton: I think, Mr. Speaker, I will take that cue from the hon. leader of the opposition—the New Democratic Party.

Mr. Lewis: I will accept that. No, it is okay.

Hon. Mr. MacNaughton: It is difficult to tell some days, so there you are.

Mr. Lewis: Who am I to quarrel?

Hon. Mr. MacNaughton: But I think I will take that cue. Reference has been made to MTARTS and the expansion of it into the Toronto-centred region plan. The MTARTS study recommended certain things that were accomplished in those days and while more need to be done, of course, GO Transit was the emanation of one of them.

Who can deny that it was a forward step at that time? Who can deny that? It is working efficiently and well. It is not the be-all or end-all I say today because that form of transportation will require to be expanded. I explained in committee, Mr. Speaker, to many of the hon. members who saw fit to attend, the answers to the various questions they have seen fit to ask us here again today. The hon. member for Yorkview knows that. Most of what he said today he dealt with in committee.

The answers were quite clear from my point of view so he knows what the position is, but he has chosen to bring it all up again. So have many other members in this chamber; it seems like a repetitious waste of time to me.

Mr. Nixon: I suppose because the minister does not like to hear it.

An hon. member: Especially when he is not here that often.

Hon. Mr. MacNaughton: That is correct.

Mr. Nixon: I can understand why the minister does not like to hear it.

Hon. Mr. MacNaughton: Why I do not like to hear it?

Mr. Nixon: Right.

Hon. Mr. MacNaughton: I do not mind hearing it at all. It is just the waste of time that concerns me; it does not really matter.

Hon. A. F. Lawrence: They are like mono-rails. They have a one-track mind anyway.

Hon. Mr. MacNaughton: I can be patient about it, Mr. Speaker. However, I say, there is nothing in repudiation terms about it and I know the Prime Minister would be the first to agree with me if he were here—

Mr. Lewis: The Prime Minister will roll over on his back.

Hon. Mr. MacNaughton: —that this bill is only part of a much broader programme that will have to be developed.

Interjections by hon. members.

Mr. Lewis: It will cover the transportation for the final decades of the century, and you call it an interim measure.

Hon. Mr. MacNaughton: The following decisions that will be made—

Mr. Lewis: The minister is just throwing the Prime Minister out with the bill.

Hon. Mr. MacNaughton: —above and beyond the context of this bill will do just that.

Mr. Lewis: Not at all, we were talking about this bill.

Mr. Speaker: I presume it would be too much to ask the members to my left to give the minister the same courtesy that he gave them when they were speaking?

Mr. Lewis: Yes, it would be.

Mr. J. Renwick: What he is saying is so preposterous.

Hon. Mr. MacNaughton: Let us deal with some specifics.

Mr. Lewis: We are at the mercy of the Premier who has violated—

Hon. A. F. Lawrence: Violated?

Mr. Lewis: Yes, violated.

Hon. Mr. MacNaughton: Let me say to close this subject, any admonition or punishment that is due to me will be accepted from the Prime Minister, and not from the hon. members opposite.

Mr. Lewis: And it will come.

Hon. Mr. MacNaughton: That is a promise is it?

Mr. Lewis: It will come in Exeter on October 5 next.

Hon. Mr. MacNaughton: We will see what kind of an oracle the hon. leader of the New Democratic Party is. I have some other thoughts on that, but that is not pertinent to the discussion here today.

Hon. A. F. Lawrence: The minister should cheer up. The member was saying that about St. George the other night, too.

Hon. Mr. MacNaughton: I want to get back to some of the specifics. There has been nothing in the observations of the hon. members but reference to the 50 per cent. Let me refer you to sections in the bill, both under part XII-A and part XII-B which provide, in terms of the discretionary authority that the minister has and that is complained about, for assistance to be provided, on a determined basis associated with need up to 80 per cent. Let us take a look, if we will, at section XII-A—the subway section. I simply ask the hon. members—they have examined it, they know how extensive it is—to examine the extent to which the eligible items, capital subsidy for rapid transit, have been expanded. Expanded to the point where, for all practical purposes, everything of a capital nature is provided for. That is for capital.

Operations and operational deficits are also provided for. As I pointed out, the discretion is available to the minister to provide for up to 80 per cent in each category under part 12(A) and part 12(B). These will be determined largely on a basis of need and that is the way we have formulated our grant or subsidy proposals for roads all across this province for a substantial period of time and I have no reason to believe they are not working equitably and well.

The hon. member for Huron-Bruce asked me if this legislation would deal with situations where private Acts are involved and the answer is yes. It is clearly stated and the answer to that is yes.

Reference was also made by someone as to whether assistance could be provided for parking. I think in this situation I would refer him to sections 91 C 2b, and 91 A 2, and in each of those sections, I believe we will find—I will read the sections and I think the authority is clearly spelled out. It is the same in both parts so if I read from 91 C 2b, it might suffice. And that section says:

The acquisition of land for and the construction and maintenance of right-of-way, storage and maintenance charge or depot stations, passenger shelters and similar facilities.

I propose to interpret that as meaning that parking lots are similar facilities. I hope that answers the question of the hon. member.

Now how many more bits and pieces? I cannot agree, at this point in time certainly, that any magic arbitrary figure such as 75 per cent, 60 per cent, or anything else is a desirable basis of subsidy, when we have some latitude in this field to base our subsidization and our assistance on what we would call defined needs.

I would also have to say to you, Mr. Speaker, that as we are entering a new field, it is probably going to take us a little time at least to determine what defined needs are, and what a desirable level of service in this field should be. We may discover as we pursue this in terms of transportation that there are many urban municipalities with bus systems which need extended routes. I seem to recall that the hon. member for Windsor-Walkerville made mention of that and he is quite right.

We may also find as we pursue the matter that there are urban municipalities with less than a desirable level of service because they have insufficient schedules to accommodate their passengers. I cite these as two examples of how our determinations will be required for determination purposes and again the flexibility of the 50 per cent or the 80 per cent comes into play.

Most of the rest of my remarks are details, Mr. Speaker. I do not know how much further I need to go in these areas. I have indicated that our basis of support is not confined to a minimum of 50 per cent although that is all that was referred to by the hon. members. There is much more latitude for support in this bill than that. But I think we have to know the extent to which subsidization is required, what is needed. I believe there should be some requirement for the fare box to sup-

port the service. All of these things combined will indicate to us the level of need that is required to produce the kind of service that the communities require.

One more thing before I conclude these remarks, Mr. Speaker, and I do say that this legislation can be accepted as part and, in initial terms, the forerunner of an expanded philosophy or policy with respect to transportation. This should not come as any great surprise to the hon. members because they have heard this philosophy expressed before. This takes care, to a very considerable extent, of the immediate situation which will confront Metro with respect to rapid transit and its public transportation problem. It will do the same, in the same terms, for all urban municipalities in the province.

My reading of the situation—and I get clippings from all representative newspapers across this jurisdiction—is that the provisions have been very widely acclaimed in urban municipalities from one end of this province to the other. I think in terms of actual performance they will have every reason to believe that their expectations will be fully justified.

Mr. Lewis: It will not save Halton East.

Hon. J. W. Snow (Minister without Portfolio): Those people will make their views known very soon.

Hon. Mr. MacNaughton: This is not the place for it, but I would be happy to see the member outside and wager with him any reasonable amount on that, so let us cool that one.

Mr. Lewis: It will not save Halton East.

Hon. Mr. MacNaughton: Oh, yes.

Mr. Lewis: A wager?

Hon. Mr. MacNaughton: Just a minute now. Would the member like to change his mind now?

Mr. Lewis: No, I would be glad to wager a bet.

Hon. Mr. MacNaughton: All right, We will get some hon. gentleman to hold the stakes. But that, Mr. Speaker, is a departure from the principle of the bill, my apology.

Mr. J. Renwick: Put the money on the clerk's table.

Hon. Mr. MacNaughton: No. I will hold it. I simply want to conclude these remarks by

saying that I regret—actually I regret very much—the negative expressions, the expressions of doom, the expressions of failure to accomplish programmes—

Mr. Deans: The expressions of truth.

Hon. Mr. MacNaughton: The expressions of disappointment at a progressive move, part of a total progressive move—

Mr. Nixon: A waste of \$140 million. Does the minister not regret that?

Hon. Mr. MacNaughton: I regret to hear it—

Mr. Nixon: Does that not bother the minister one little bit?

Hon. Mr. MacNaughton: I regret to hear it and in this instance—

Mr. Nixon: I am sure he does.

Hon. Mr. MacNaughton: I seldom do but I certainly agree more with the generality of the remarks of the hon. leader of the New Democratic Party than I do with the Leader of the Opposition. It may be a price to pay, but it is nothing when you stack it up against the price that could be paid.

Mr. J. Renwick: The minister is not trying to drive a wedge between them, is he?

Hon. Mr. MacNaughton: Well, Mr. Speaker—

Mr. Nixon: They are in bed together, that is why they agree.

An hon. member: What a sight that is!

Mr. Lewis: Believe me, I will wager with him, but I bloody well will not sleep with him!

Hon. Mr. MacNaughton: That is not a very polite thing to say, Mr. Speaker—

Interjections by hon. members.

Hon. Mr. MacNaughton: The only reason I speak to the hon. member in this House is because I have no alternative, but I do not have to do it outside this House and I may not do it nearly as much. I will have things to say about him. I will have things to say about his phoney policies and philosophies every time I get an opportunity, but I do not have to speak to him directly.

Mr. Nixon: I think the minister is a socialist.

Hon. Mr. MacNaughton: So now we are even. Now we are even.

Mr. Lewis: We will take—

Hon. Mr. MacNaughton: We will see. Mr. Speaker, I really have nothing more to say about this and I would have said something if the hon. member for Downsview had been in his seat. Maybe I should take the few minutes left to me to say it to his leader and he can in turn explain it to the hon. member.

I am going to make very brief—

Mr. Nixon: What about the irrevocable contract? Is he going to explain that?

Hon. Mr. MacNaughton: Exactly what I am going to do.

Mr. Nixon: Right. The irrevocable contract.

Hon. Mr. MacNaughton: I am going to make very brief reference to his observations concerning my immediate predecessor in office in The Department of Highways, hon. Mr. Goodfellow. Mr. Goodfellow did correspond and his correspondence is just as available to me as it is to the hon. member for Downsview.

There was a reason behind it, in terms again related to the attitudes of the day. One of the reasons that his letters were written was because The Department of Highways at that time was not enamoured of building the interchange at Spadina. They would have preferred to have built it in another location. It was felt that it would have served the community better at another location.

The purpose of the letter of the minister of the day was to ensure that if an interchange was built at that location and some financial assistance was provided by the principal occupants of Yorkdale, that before we would build it there, we wanted some assurance at that time that the full facility would be continued. I respect the position that was taken by the hon. minister then and I respect it today. It was a sensible proposition.

In 1963 having by correspondence set out the terms and dealt with the appropriate references, I would think that the incumbent minister had little choice but to sign those documents. But it is a new ball game today. It is a new ball game.

Mr. Singer: Why did the government have so little choice then when it has the choice now?

Hon. Mr. MacNaughton: It is a new ball game.

Mr. Lewis: Attitudes have changed.

Interjections by hon. members.

Hon. Mr. MacNaughton: Yes, attitudes have changed.

Interjections by hon. members.

Hon. A. F. Lawrence: People who were for it then, are against it now. Some of the ratepayers' groups.

Interjections by hon. members.

Hon. Mr. MacNaughton: In terms of the policy decision that was made, as I remember the attitude of the caucus of the hon. member for Downsview, it occurred to me that he was standing naked and alone on that day.

Mr. Singer: I got a lot of support.

Hon. Mr. MacNaughton: Naked and alone, as far as his caucus was concerned.

Mr. Singer: Oh, no! Oh, no!

Hon. Mr. MacNaughton: Let us recall to our memory, Mr. Speaker, that the following day—

Mr. Singer: Just the people are with me, that is all.

Hon. Mr. MacNaughton: —the following day—and I have the press clipping in my office—the hon. Leader of the Opposition, no matter what he has been saying, indicated that if he formed the government—which is an unlikely possibility—he would not change the decision.

Now let us be consistent about it. Where do the hon. member and his leader stand on this thing? Where does his caucus stand? Does he stand with his caucus, or do they stand with him?

Mr. Singer: Would the minister like the last policy statement? We will read it to him.

Hon. Mr. MacNaughton: The problem is, of course, that his party's policy changes from day to day.

Mr. Singer: We are committed to review the decision and we will review it with some intelligence.

Mr. Lewis: That is interesting.

Hon. Mr. MacNaughton: Their policy is one of total inconsistency. They have to say, Mr. Speaker, in these terms as in any other policy—

Hon. A. F. Lawrence: We are kicking them in the ribs, there, they should say so.

Hon. Mr. MacNaughton: —when we are discussing them, we say, "Take the Liberals for example, where you can find them. How can you find them when they are all over the place? They do not know themselves."

I am through, Mr. Speaker.

Mr. Singer: The minister's through. He is through.

Hon. Mr. MacNaughton: For this point.

Mr. Singer: He is through.

Mr. Speaker: Order! The motion is for second reading of Bill 89.

Motion agreed to; second reading of the bill.

Mr. Speaker: Shall this bill be ordered for third reading?

Some hon. members: No.

Mr. Speaker: Committee of the Whole House?

Agreed.

Mr. Singer: Never was a truer word said by this minister than: "I am through."

PROTECTION OF PERSONS IN INDUSTRIAL ESTABLISHMENTS

Hon. Mr. Carton moves second reading of Bill 90, An Act to Provide for the Protection of Persons in Industrial Establishments.

Mr. Gisborn: Mr. Speaker—

Mr. Speaker: The member might wait, perhaps, until the motion is put.

Mr. Gisborn: I am sorry.

Mr. Speaker: I think that it being now 6 of the clock I do leave the Chair and we will resume at 8, and that will give the hon. member for Hamilton East the opportunity to make his remarks undisturbed.

It being 6 o'clock, p.m., the House took recess.

APPENDIX

(see page 3652)

Answers to questions were tabled as follows:

2. *Mr. Reid* (Scarborough East)—Inquiry of the ministry:

1. How much of the Ontario taxpayers' money has been spent by The Departments of Education and University Affairs, school boards, the Universities and the Colleges of Applied Arts and Technology on educational television facilities, equipment, programmes and personnel since January 1, 1966?

2. How many people are working full-time with the Ontario Educational Communications Authority?

3. How many are qualified secondary and elementary school teachers?

4. How many non-Canadian citizens are working with the authority?

5. How many people working with the authority receive salaries of \$15,000 a year or more and of these how many are non-Canadian citizens?

Answer by the Minister of Education:

1. Department of Education

<i>Fiscal Year</i>	<i>Amount</i>
1965-1966	\$ 105,894.97
1966-1967	852,062.45
1967-1968	2,854,167.36
1968-1969	4,958,329.99
1969-1970	7,444,548.33
1970-1971	9,138,807.00*

*Including expenditures made by The Department of Education and a grant to the Ontario Educational Communications Authority.

Ontario School Boards

TV Receiving Sets

1966	704,406.00
1967	636,237.00
1968	458,018.00

As grants to school boards on expenditures for TV receiving sets were discontinued in 1969, these expenditures have not, since 1968, been separated from other expenditures in the financial reports submitted to the department.

During the period 1966-1971, boards spent \$425,000 on master antenna television sets and \$1,745,000 on TV studios and equipment.

Department of University Affairs

The department has spent no money on educational TV equipment, programmes and personnel during the period. It has provided \$2,284,800 in capital grants for projects at Carleton, McMaster, Waterloo and York Universities and Scarborough College.

Colleges of Applied Arts and Technology

The Colleges of Applied Arts and Technology have not received any allocation of funds for capital or operating expenditures with respect to educational TV. Some colleges have had about \$1,500,000 of capital allocations for the purchase of closed-circuit TV equipment to be used for the training of personnel in the TV industry.

2. 274 (May 1, 1971)

3. 28.

4. The Ontario Human Rights Code prevents employers from requiring prospective employees to declare their citizenship. An estimate provided by the Ontario Educational Communications Authority indicates, however, that approximately 11 per cent of the staff are non-Canadian citizens.

5. At present 39 full-time employees of the authority are receiving salaries of \$15,000 a year or more. Of these 39, approximately 10 per cent are not Canadian citizens.

3. *Mr. Reid* (Scarborough East)—Inquiry of the ministry:

1. How much of the Ontario taxpayers' money has been spent by the Ontario Institute for Studies in Education since its inception?

2. How many people are employed full-time by the institute?

3. How many non-Canadian citizens are employed by the institute?

4. How many full-time employees receive salaries of \$15,000 a year or more and of these how many are non-Canadian citizens?

Answer by the Minister of Education:

1. For the six fiscal years 1965-1966 to 1970-1971 (inclusive), the Ontario Institute for Studies in Education received \$41,489,790 in grants from The Department of Education, and \$2,195,860 from The Department of Public Works.

2. The number of full-time employees (including sessional appointees) was 650 at April 30, 1971.

3. The standard application form used by the institute does not contain any reference to citizenship or country of origin.

4. The number of employees who receive salaries of \$15,000 a year or more is 142. As these employees are members of the academic or senior administrative staffs, their "curriculum vitae" indicate that, at the time of their appointment, 59 were not Canadian citizens.

6. *Mr. Reid* (Scarborough East)—Inquiry of the ministry:

1. What was the cost to the Ontario Educational Communications Authority of producing the 16-part serial entitled "Castle Zaremba"?

2. How many people have written in for the audio tapes and printed scripts which are an integral part of the programme?

Answer by the Minister of Education:

1. The cost to the Ontario Educational Communications Authority of producing the 16-part serial "Castle Zaremba" was \$166,297.43.

2. Over 160 people have purchased the audio tapes and printed material for "Castle Zaremba" since they became available early this year.

18. *Mr. Ruston*—Inquiry of the Ministry:

Will the ministry give the following information: the number of properties leased by the Province of Ontario in the city of Chatham, the name of the owner of each property and the space and rate of each lease?

Answer by the Provincial Secretary:

1. One.
2. Brad-Lea Meadows Limited.
3. 7,200 sq ft—ground floor space.
4. \$12,000 per annum.

Answer by the Minister of Public Works:

The Province of Ontario has leases on eight properties in the city of Chatham. The details are as follows:

1. 143 Wellington Street West; 300 square feet—\$4.25 per sq ft; \$1,275 per annum; lessor, Murray Duff Enterprises.

2. 60 Keil Drive; 8,160 square feet—\$2.29 per sq ft; \$18,720 per annum; lessor, F. B. Brisco.

3. (i) Corner King and Fifth Street (two locations); 3,600 square feet—\$4.25 per sq ft; \$15,300 per annum.

(ii) 5,310 square feet—\$4.25 per sq ft; \$22,560 per annum; lessor, Mrs. Fay Jackson.

4. 48 Fifth Street; 1,574 square feet—\$4.50 per sq ft; \$7,080 per annum; present lease expires July 1, 1971, lease has been renewed at the rate of \$4.72 per sq ft; \$7,440 per annum; lessor, Murray Duff Enterprises.

5. 382 Wellington Street West; 1,048 square feet—\$3.20 per sq ft; \$3,360 per annum; lessor, Kent Manor Limited.

6. 61½ King Street West; 2,400 square feet—\$2.66 per sq ft; \$6,346.00 per annum; lessor, Estate Wm. McGeachie.

7. 93 Centre Street (Provincial Courts); 7,500 square feet—\$1.76 per sq ft; \$13,200 per annum; lessor, John Moore, Listowel.

8. 84 Centre Street (Probation Office); 1,300 square feet—\$2.30 per sq ft; \$3,000 per annum; lessor, John Moore, Listowel.

19. *Mr. Singer*—Inquiry of the ministry:

Would the government advise the House of the total cost to date, in capital and current funds including interest charges, on moneys borrowed by both the Province of Ontario and the municipality of Metropolitan Toronto for:

1. The construction of the interchange at the Spadina Road and Highway 401 interchange;

2. The construction of that portion of the Spadina Road extension now on the ground, including all the work done to date, and

3. The cost of the lands acquired to date as well as an estimate of the acquisition costs of these properties where the costs have not, as yet, been determined.

Answer by the Minister of Transportation and Communications:

1. \$10,000,000—of which \$6,000,000 is actual interchange, and \$4,000,000 is Highway 401.

2. \$34,000,000.

3. \$30,800,000.

Additional information:

(a) Metro quotes interest charges of \$9,000,000. This amount has not been included in the answer.

(b) Alternative interchanges at the Dufferin, Bathurst and Wilson areas, because of the highly developed nature of the land adjacent to these areas, and the lack of room to introduce the additional interchange movements, would have been both expensive and difficult to construct, would have had a serious impact on the environmental characteristics of these neighbourhoods, and might well have cost as much as the Spadina-401 interchange.

(c) The cost of the Spadina Expressway to date is shared as follows:

	<i>Total</i> (000)	<i>D.T.C.</i> (000)	<i>Metro</i> (000)
401 Interchange	\$ 6,000	\$ 3,000	\$ 3,000
Other Construction	34,000		34,000
Property	30,800		30,800
Totals	\$70,800	\$ 3,000	\$67,800
Road Subsidies			-30,000
Net to Metro			<u>\$37,800</u>

25. Mr. Pitman—Inquiry of the ministry:

1. What is the total floor space in the Ontario Institute for Studies in Education building at 252 Bloor Street West, Toronto?

2. How many organizations other than OISE are occupying floor space in the OISE building? Who are these organizations (and various divisions of each organization) and how much floor space does each occupy?

3. How much rent does each organization pay per month for its occupancy?

4. Is this rent applied to the financial responsibility of OISE, thereby reducing its real fiscal indebtedness?

Answer by the Minister of Education:

1. Office Space	387,119 sq ft
Parking Area	88,914 sq ft
Rough Work Areas	23,834 sq ft
	<u>499,867 sq ft</u>

2. and 3. There are at present 11 organizations other than OISE occupying floor space in the OISE building, as follows:

	<i>Area—Sq Ft</i>	<i>Monthly Rent</i>
Canada Studies Foundation	503	\$ 251.50

	<i>Area—Sq Ft</i>	<i>Monthly Rent</i>
Canadian Education Association	3,556	1,778.00
College of Education—U of T		
Offices	4,209	2,104.50
Classrooms	3,603	1,801.50
Council of Ministers of Education, Canada	2,573	1,286.50

Department of Public Works

Ontario French School	7,394	3,697.00
Dept. of Treasury & Economics	4,639	2,319.50
Ontario Association of Education Officials	540	270.00
Ontario Educational Association	567	283.50
Prologue to the Performing Arts	156	78.00
Royal Commission on Book Publishing	2,031	1,015.50
Systems Research Group	10,318	6,018.84
Ontario Association for Continuing Education	118	70.80
4. Yes.		

26. Mr. Pitman—Inquiry of the ministry:

How many copies of "Looking at Canada" were printed by The Department of Education? What was (a) the unit cost, (b) the total cost of this publication to the people of Ontario?

Answer by the Minister of Education:

- Number of copies printed: 50,000
- (a) Unit cost: 41-2/5 cents
- (b) Total production cost: \$20,680.25

28. Mr. Reid (Scarborough East)—Inquiry of the ministry:

- Which school boards are currently using the computer at the Education Data Centre?
- Which boards are running timetabling programmes on this machine?
- Which boards are running individual pupil records and report card data on this machine?
- Where are the tapes kept while in the custody of the department?
- What persons have access to tapes while in the custody of the department?

6. What security precautions are taken to ensure that unauthorized persons do not have access to these tapes?

7. Does the facility include an erase mechanism?

8. Does the facility include a mechanism for making copies of tapes from one another?

9. Who operates this equipment?

10. Are there any special provisions attaching to employment within the Education Data Centre?

11. Have any persons employed at the Education Data Centre since its inception, ever been employed, before or since, in a credit bureau or finance company?

12. Is the minister absolutely satisfied that subjective assessment data is not filtering out, or being passed out, from the Education Data Centre, to unauthorized persons or companies, for consideration or otherwise?

13. Will the minister welcome an independent security check of the Education Data Centre by a competent and experienced surveillance company?

14. Will the minister abide by the recommendations of such a company if it can be shown that an avenue for the feeding of confidential pupil record information to unauthorized recipients exists?

Answer by the Minister of Education:

1. The education data processing branch provides the following services to school boards:

(a) Payroll—Metropolitan Separate School Board.

(b) Student Administration—

Carleton Board of Education
Essex County Board of Education
Hastings County Board of Education
Lennox and Addington County Board of Education
Niagara South Board of Education
Ontario County Board of Education
Peterborough County Board of Education
Prince Edward County Board of Education
Renfrew County Board of Education
Stormont, Dundas and Glengarry County Board of Education
Board of Education for the city of Windsor
York County Board of Education

2. Timetabling services are provided for the following boards:

Brant County Board of Education
Carleton Board of Education
Elgin County Board of Education
Essex County Board of Education
Board of Education for the Borough of Etobicoke
Frontenac County Board of Education
Grey County Board of Education
Haldimand County Board of Education
Halton County Board of Education
Hastings County Board of Education
Kent County Board of Education
Lambton County Board of Education
Leeds and Grenville County Board of Education
Lennox and Addington County Board of Education
Middlesex County Board of Education
Niagara South Board of Education
Norfolk County Board of Education
Northumberland and Durham County Board of Education
Ontario County Board of Education
Peel County Board of Education
Peterborough County Board of Education
Prescott and Russell County Board of Education
Prince Edward County Board of Education
Renfrew County Board of Education
Simcoe County Board of Education
Stormont, Dundas and Glengarry County Board of Education
Victoria County Board of Education
Waterloo County Board of Education
Wentworth County Board of Education
Board of Education for the city of Windsor
York County Board of Education
Metropolitan Separate School Board
Peterborough - Victoria - Northumberland and Durham County Roman Catholic Separate School Board
Board of Trustees of the Roman Catholic separate schools for the city of Windsor

3. Individual pupil records and report card data constitute a portion of the student administration system described in answer to No. 1 above.

4. Assuming hereinafter that "tapes" mean information files stored on magnetic tape, all such files are stored in the computer library,

which is a section of the education data processing branch at 94 Cumberland Street, Toronto.

5. The director, six managers, the computer room supervisor, the project supervisor and the computer librarian have access to stored data in the process of performing their regular duties.

6. The computer library is locked outside regular working hours. Authorized personnel only, as previously indicated, have access to the information files. The computer room supervisor has specific instructions to deny access to any other persons.

7. As is normal data processing practice, obsolete information file data is obliterated when the magnetic tapes are reused.

8. The duplication of information files is a normal data processing facility. The education data processing branch has this capability.

9. The operations staff of the education data processing branch operates all computer equipment.

10. Regular civil service requirements apply to employment in the education data processing branch.

11. High turnover rates, which are normal in the data processing industry, covering a six-year span, prevent an accurate answer to this question.

12. The minister is confident that adequate security provisions exist in relation to the costs involved. Additional measures can be introduced but the additional expenses would not be justified by the resultant increase in security.

13. In July, 1969, the report of a security audit made by the advisory services division of the Treasury Board, stated: "We find that methods currently employed at the education data processing branch are adequate for providing the desirable level of security. We therefore recommend that existing methods and regulations continue to be strictly adhered to."

14. If a security audit is conducted, all recommendations would be very carefully considered.

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Legislature of Ontario Debates

OFFICIAL REPORT—DAILY EDITION

Fourth Session of the Twenty-Eighth Legislature

Thursday, July 8, 1971
Evening Session

Speaker: Honourable Fred McIntosh Cass, Q.C.
Clerk: Roderick Lewis, Q.C.

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LEGISLATIVE ASSEMBLY OF ONTARIO

THURSDAY, JULY 8, 1971

The House resumed at 8 o'clock, p.m.

PROTECTION OF PERSONS IN INDUSTRIAL ESTABLISHMENTS (concluded)

Mr. Speaker: Before we rose for the dinner hour the hon. member for Hamilton East was on his feet to speak to the second reading of Bill 90.

Mr. R. Gisborn (Hamilton East): Yes. Mr. Speaker.

It is quite a hard job to speak on the principle of a bill that has been used for so long, since it was first introduced and became operative in 1964 under The Department of Labour, a bill that provides regulations and has provisions, in a legislative manner, for the safety of working operations in industry in this province.

This bill itself, as the explanatory notes tell us, is a re-enactment of The Industrial Safety Act of 1964, and in this sense then it is the incorporation in the Act of much of the content of what is now in the regulations. It is also a revision of the administrative procedures and appeals, to carry out the recommendations of the report of the royal commission inquiry into civil rights and to co-ordinate with the bill to enact The Statutory Power Procedures Act. Of course, this was necessary in keeping with this sort of alignment with many other pieces of legislation that have been applied through recommendations of the McRuer commission.

Enacting some of the provisions of the regulations in the previous bill into the Act itself, I think will make it more understandable and more clear to those who have to apply themselves to it.

Before I say any more, I would be disposed myself to agree that one of the procedures that can take place is that when we debate the bill in second reading we put it on to third reading without going to Committee of the Whole House, if we could have the right to deal with a couple of the sections which we feel are necessary to be understood and

clarified. If not, then as I got a reply from my colleague, the member for Oshawa, then we should have it go into committee so we can get some clarification.

Nevertheless, in supporting the principle—as I said, you cannot oppose the principle of a bill of this type—but in dealing with the original Industrial Safety Act, then again this one, and other Acts that pertain to workers, employees in industry, I have always felt and our party has always felt, that a principle that had to be involved was the participation of the employees themselves. And I am sure the minister knows well of what I speak.

Again, the two flaws in this bill are inherent in the fact that the principle that we have always tried to establish is left out entirely. There is no mention whatsoever of employee participation.

In that, I mean they are not mentioned any place in the Act as having any rights of participating and developing better safety conditions, better working conditions and having a part in determining as to whether this Act is being lived up to in the manner it prescribes in its wording.

I would appeal to the minister—he will likely say a few words on it—for once we would like to hear a minister give a clear outline of why the government does not agree with the principle of having employees in industrial plants recognized as taking part in producing safe working conditions.

That can be done in several areas. I think the simple way is to make it mandatory that each industry has a safety committee, where they both have equal rights to determine the application of an Act of this nature and to work together. Certainly I know from practical experience that we have safety committees in some industries that are operating on a union basis only. The fact that they cannot get official recognition from their employer makes them reticent about doing the kind of a job they feel they can do. They have trouble in getting across their interest to the employees, because the employees say, "Why should we pay any attention to you, because

nothing more comes of it? You have no access to carrying this kind of a programme to management. If you have, it is a cap-in-hand approach."

There does not seem to be any reason or any interest in or any enthusiasm for the committees working in the proper manner. I do not think to say that the committees should be recognized in a mandatory manner, with equal numbers, to deal with an Act of this type or the safety work in a plant in general would in any way take away what I have had to consider the only objections of the Ministers of Labour that I have dealt with over the years in this House with regard to employees in industrial plants. If I remember correctly, the only argument they could give me was that they did not want in any way to take the sole responsibility away from the management in the sense that he has the ways and the means to correct any injustices and to make sure that the facilities and the machinery are safe. The other argument is that in giving the unions or the employees any kind of rights at all would, in some sense, put an onus on them and responsibility.

I think that the ministers have been talking about legal responsibility, that in the case of negligence, or civil cases, or any kind of action the inspectors or chief inspectors in charge of this Act might want to take, they could in turn, make both parties responsible. I do not think that need be the case. I do not think it has to go that far.

Because when they leave the sole responsibility in the hands of management, of course, in a sense they are dealing with money. They have to provide the money to make the corrections in machinery and to run the safety programmes. I do not doubt they are honestly and sincerely interested in the human welfare of their employees. They do not want to see any of them get hurt, or work in conditions that are not conducive to good health.

On the other hand, the interest of the employee to himself is his body, or his workman's body. He gets hurt if this Act is contravened in any way, shape or form. So I am very much at a loss to understand why at this point this is missing in the re-enactment of The Industrial Safety Act of 1964 into this bill, which has now included in the Act many of the regulations that we asked for and we thought should have been passed some time ago, and also the civil liberties section of the royal commission of McRuer, that the participation of employees is not provided for.

The bill does protect the employer to a great extent, inasmuch as now it has established proper appeals and hearings and that sort of thing. That is all to the good, because we feel that the employer should have the right to contest what he feels might be any overt action by the enforcement of this Act.

The other principle that is missing, to my mind, is again the old section 22, which is now section 31, where no one should operate any machinery that he does not feel is fit and safe. That again, although it has some minute improvements, inasmuch as from what I can take from that section 31, the employee can refrain from its operation, but it only says that he can stand so far back from the machine, and then it goes on to say that he should not then operate the machine again unless so directed by the agent of the employer or if so agreed. It almost ends there. There is very little change from the old Act. That does not correct the situation.

The principle which should be enforced in that section is that the employee has the right to refrain—period—until someone makes the decision other than the foreman, or else he is content that the machinery is safe to operate. That is one point and that is not there. It just ends at that point.

What happens if the employer says, "You go to work—in my opinion that is safe" and the employee's opinion is that it is not? There is no way that he can go home without being subjected to penalty. There is no protection anywhere in the bill at all for the employee if he refuses to work on a machine or in atmospheric conditions which he believes to be hazardous to his health. My experience has been in the past that when this happens with a militant or a very strong-willed employee, when he makes up his mind that there is a hazard on his job, he goes home and he is penalized. The union is then faced with grieving his position and going through the grievance procedure which is a long drawn-out affair. If there is nothing specific in that Act, the judge—the arbitrator—usually finds that the griever is insubordinate and finds his grievance not justified.

There are the two main points on the principle of this bill that I think should be implicit in the bill. I would hope that we could get some further clarification from the minister, either at this point or when we go into committee.

Mr. D. M. De Monte (Dovercourt): Mr. Speaker, the problem here is that we are discussing a principle that we all agree with

in The Industrial Safety Act—the safety of a workman on the industrial site. As my friend has just said, it would probably be wiser to discuss this Act in committee where we could get down to each section and look at it from the point of view of whether it does really carry out the intent of the Act.

There is one salient point that has been brought out and that is that the Act has not taken into consideration the safety committee, nor given the worker the right with management—the union with management, other than what is negotiated through union contract—the right to go through a plant and to ascertain what unsafe working conditions are present in any given plant. I think that perhaps this Act could have broken new ground in establishing a safety committee in all plants, which would rule on the safety of any particular device or operation in an industrial undertaking.

Certainly, the unions have been trying and have been fairly successful in getting safety committees operating in the plants in which they have contractual relationships, but I think that perhaps we should enshrine this very important principle in this Act. Perhaps this would be one step forward in making sure that plants are safe places to work in.

Certainly, this party agrees with the principle of this bill and perhaps if we could discuss the sections that might be of some importance now, we could be further spilling the bill right onto third reading. I was wondering whether, upon agreement, we could do that because there are very few sections here that need discussion. Some of them are highly technical sections and we have looked them over and they seem to us to be in order. But there are sections like section 31 where the workman who stands down because his machine is unsafe has to stand a few feet away from the machine. If the foreman tells him to go back and use the machine, as my friend just mentioned, he is required to go back, and without any person intervening, checking over the device to see whether or not it is in safe working condition. Perhaps the minister might give us some comment on that very crucial aspect, but I think that perhaps the minister might look very seriously at the participation of the employees in the safety of a plant and that he might think of amending the Act and setting up safety committees—made up, of course, of both management and the employees in the plant—who would inspect the machines and the techniques of production

to make sure that they are in a safe condition.

I would ask the Speaker if he would consent to the discussion of a very few sections in the second reading, so that we could discuss the bill clause by clause, as in Common to second reading. If we cannot do that, I would seriously consider asking that the bill be referred to the Committee of the Whole House. Thank you.

Mr. Speaker: Before we proceed further, I might just say that certainly we cannot discuss the bill clause by clause, as in Committee of the Whole, on second reading. I have found, though, that most members find little difficulty in finding a principle in some sections whereby they can discuss it and within reason.

So long as there is a principle, such as the one of the two mentioned by these speakers, I have no objection to them being discussed on second reading, but if we start getting into the mechanics of the bill, section by section, then of course it is not proper on second reading and we could not do it.

The member for Oshawa.

Mr. C. G. Pilkey (Oshawa): Mr. Speaker, speaking to the principle of this bill, I want to point out some very serious deficiencies. But before I do, I noticed in the preamble or the explanatory note that the minister says that this Act now incorporates much of the content that now appears in the regulations. Yet I find the bill rife with making mention of regulations that are still in existence. A matter of fact is that the bill itself provides a whole series of things that the Lieutenant Governor could regulate.

He says on one hand that he is going to incorporate regulations. On the other hand, he makes the comment that there are a number of areas where regulations may prevail in the future and there are a number of areas where regulations prevail now.

I want to say, Mr. Speaker, that in my view one of the deficiencies of the bill is that the safety procedures that are now the purview of The Department of Mines under The Mining Act still remain outside The Industrial Safety Act. I happen to think that most of the safety that relates to mining in the Province of Ontario ought to come under the umbrella of The Industrial Safety Act. I happen to think that The Department of Labour would have more expertise in this area of safety, surely, than The Department of Mines and yet I find in this bill

that The Mining Act and mining safety are still excluded.

In any event, the equipment and machinery, the plant itself that is above level, surely that should come under The Industrial Safety Act here in the Province of Ontario and under the jurisdiction of The Department of Labour.

I also wanted to make the comment, Mr. Speaker, that the bill itself—and again it is another deficiency—calls for inspection of a plant, but the disclosure becomes confidential. What the inspectors might find in a specific industry is confidential information and I think that that information should be given to the employees' representative.

Why is it confidential to the management alone? In many cases it is the employees who raised this question of safety. As a matter of fact I submit, Mr. Speaker, through you to the minister, that if an employee does not report a hazardous condition in the plant, he is in contravention of this Act. That is what we say; if he does not report a hazardous condition he is in contravention of the Act.

If information has been accrued as to the industrial hazard, why is it not made available to the employee and the employees' representative? I notice there is a device in the bill that upon a payment of some prescribed fee—I do not know what it is—that the employer can get these reports. He pays some fee and the reports are available to him. I suspect very strongly that even without the prescribed fees much of the information is available to the employers.

I also feel that there is another serious deficiency in the Act, where the owner of the industrial establishment must provide facilities as prescribed by the regulations—again, back to the regulations. I do not know just what that means; I suppose we will have to check that out, but it is not in the bill.

The Act goes on to point out that toilets, washing facilities, proper heating, lighting and a whole raft of things are compulsory on the owner of an industrial establishment. But there is one serious deficiency, and that is environmental control. In a number of plants in this province I happen to think that we ought to set standards covering air contamination, noise, ventilation, radiation—all of these things are rather pertinent. This government not so long ago brought in an environmental bill, which it said was a classic for the North American continent, but I do not see anything in this Industrial

Safety Standards Act that provides protection for workers in industry in this province.

Just to demonstrate my point, Mr. Speaker, I might point out that there is a strike taking place in this province at this moment on the whole question of industrial safety, particularly as it affects the workers through air contamination and pollution. That is what this strike is all about.

The minister knows full well what I am talking about. The standards at the moment—I do not understand all these terms of threshold limited values, five per cc of air and that kind of business, but I understand that under the present government standards which were set some years ago, workers can take up to 15 million fibres into their lungs in an eight-hour period; if the air contamination is in excess then it becomes dangerous. Surveys have been taken in this plant in the Province of Ontario—I can tell the minister it is the Johns-Manville plant in east Scarborough—and it is on strike as a result of that. It was on the CBC programme last night that four people have died as a result of this contamination and that 15 people, or 12 others, are suffering various degrees of disability to the extent of total disability.

That is why it is so important that we provide in this legislation means of environmental control. This should not be allowed to happen in this province, that workers can build up deposits of these fibres from the asbestos within their system which subject them to being crippled, even to the extent that they die. As I said to the minister, I think that is a very serious deficiency in the bill. I say that because I think that we need something the government itself can police. At this point in time, I am not convinced that this government is properly policing The Industrial Safety Act of this province, and maybe it is because of the serious omissions or deficiencies that we have presently in this bill.

What we need to do is make it abundantly clear to the industrialists in this province that they have to provide devices that make air safe for the workers in that plant, whether it be in an asbestos industry, whether it be in a motor vehicle industry, or any other industry. It is very important in this day and age, as we become more expert or more sophisticated in environmental control. I want to tell you that the only thing I see mentioned in this bill is a section where the government can, by regulation, have some control over atmospheric conditions.

The minister mentions that in the bill, but he says that this will be done by regulation. I submit, Mr. Speaker, through you to the minister, that it has to be more. We have to set it out in precise terms within the Act, and we should not be setting this out in the regulations at all. We should set it out so that the employers in this province understand exactly what the minister is talking about.

My two colleagues have pointed out that we ought to have joint health and safety committees in the plants and I agree with that. I have made this same point on a number of occasions, and I want to tell the minister as I have told him before in this House, that they would not be setting any precedent in this area—no precedent whatsoever—if they set up joint health and safety committees in every industry in this province. Already it is enshrined in legislation, through the Workmen's Compensation Board, that government has the authority. Where there is a high incidence of accidents in a plant, the government can set up joint health and safety committees. The minister is not setting any precedent. It is already enshrined in legislation, and surely we can make that same condition here in The Industrial Safety Act?

I also noticed that the government is now legislating in this bill to provide for protective devices or clothing for employees. Again, this is left to the discretion of the employer. Why have we not in this bill a section that talks about personal protection equipment? We ought to set standards of protective equipment for the eyes, for the face, for the head, for the feet and for any respiratory hazards that may exist. I happen to think we ought to set standards in that area.

It is just not good enough to leave it to the employer at his discretion to say what we need in terms of protective clothing. Let me go on; I want to suggest to the minister that if protective clothing is required by employees as a condition of employment in any industry in this province, then the employer ought to pay for that protective equipment or protective clothing by law.

Mr. E. R. Good (Waterloo North): Especially of supermarkets!

Mr. Pilkey: We will take care of the supermarkets a little later.

Mr. R. F. Nixon (Leader of the Opposition): That will be all the help the minister needs. Why not give them a raise?

Mr. Good: Yes, do not be so cheap.

Mr. Nixon: They do not understand the minister's progress.

Mr. Gisborn: They opened their books and they have not got the money.

Mr. Nixon: When did that ever stop them?

Mr. Pilkey: Also, the minister lays out other conditions in the Act relating to the reporting of defective equipment. Again I am getting back to that section where he makes it mandatory on employees to report the defective equipment; and yet there is nothing in the bill that says that this defective equipment is to be rectified in any way, repaired, or replaced.

And in addition to that it does not say that the employee ought to be given a report as to what happened to his complaint. And again I say that in that section that ought to come about.

Mr. Speaker, the other thing that I wanted to talk about was the whole question of where a person believed that a machine or device or thing, as mentioned in the Act, is unsafe, that person shall not operate the machine. I want to know what protection is in this bill for the employee who says in his opinion that is an unsafe device, but the employer on the other hand says that it is not an unsafe device, and the employee refuses to operate that apparatus?

I want to know what protection there is, because I know what happens to employees when they say that the devices are unsafe and the employer says they are safe, and the employee refuses to operate them; he is discharged or suspended immediately, on the spot. That is what happens to him.

Now what protection is there for that employee who refuses to operate that device? I want to know. It is important, because the minister has now enshrined in legislation the right for him to refuse to operate an unsafe device.

Maybe this countermands that amended section of his, because he also points out in this bill that the employee steps aside and he stands by his machine; he does not leave his work place, he stands by his machine. And then the employer, as I understand this further section, can direct the employee to go back on the job. I wonder if the minister would comment on that passage in section 31? I want him to comment on that because I want to know what protection an employee has. Does he have to go back on the job as directed by the employer?

Well Mr. Speaker, those are some of the deficiencies that I find in this bill, and I would trust that the minister would respond to some of the things that I have raised. In any event, if we do not get the proper answers, in my view I think that it ought to go into committee and we ought to be able to discuss this bill section by section.

Mr. Speaker: Is there any other member who wishes to speak to this bill before the minister? The member for Welland South.

Mr. R. Haggerty (Welland South): I feel that this bill is perhaps moving along in the right direction but it does not go quite far enough.

My concern, Mr. Speaker, is the in-plant environment. There is nothing in this bill that gives protection to those persons working in industry, perhaps in smelters, refineries or dealing with chemicals or processes. I see nothing in here at all.

I mentioned before in the labour committee the number of cases dealing with emphysema, asbestos and other lung diseases, and I wonder that the minister has nothing in here at all. I suggest to the minister that this bill should go further than that or this government should bring in an occupational health bill to provide the necessary protection to the employees in this province, because very little is being done.

I could go into more detail perhaps than some of the other members in dealing with certain industries in this province and tell the minister that persons working around tanks that give off a gas, after an exposure period of five to 10 years, lose their teeth—the enamel is totally removed. There is no compensation, nothing: These men are not compensated for any damages whatsoever. There is nothing in here about bronchitis; there is not a thing in this bill that gives an employee this type of protection.

One section of the bill deals with fire hazards, relating to the building code; I think this is a matter that should come under The Fire Accidents Act of this province. Have our inspectors make proper inspections of the plants!

I have worked in industry in the province and I have seen, as the member for Oshawa and the member for Dovercourt have mentioned here, instances of persons being told to do a dangerous job in a certain industry; the employee will perhaps rebel and say, "No, I am not going to do it," and the foreman will say, "Well, pick up your lunch

pail and hit the road." They are threatened this way. Many times I have seen men 200 or 300 feet in the air, hanging out on perhaps a two by four; they are told to get out on it or there is no job for them. I do not know if we are going to have any inspectors who are going to inspect this type of work or not. Are we going to have any high climbers?

I see men working in industry today, especially on steamships where they work with asbestos fibres to cover steam pipes and there is nothing written on the package to say that this is harmful if a person is exposed to it over a period of two, three or six months; there is nothing on there that tells the employee that this will be harmful. Many of them do not even have the proper face mask or respirator to remove the dust. And this goes on day after day in many industries throughout the Province of Ontario.

I can think of a Department of Health chart that Dr. Mastromatteo and Dr. Sutherland showed me here not too long ago; it deals with the gold mines in northern Ontario. This chart indicates the men who have died of silicosis or lung diseases. If I were this minister, I would become alarmed and look into those facts. They are there. And too often—and I have said this in the labour committee—unions are responsible for it just as much as employers and employees.

I mentioned before that many contracts, or a number of contracts, in the Province of Ontario have a "dirty money" clause in them. This always looks good at the end of the day that you can get 15 cents or 20 cents an hour to get into some dirty hole, you might call it, or some boiler or something like this on a ship or some place like this, or down in one of the cargo holds down under the tank tops where there is very little air to breathe. These men are told they have to enter this if they want a job. There is no protection for them there whatsoever—nothing at all.

I worked around steamships and boats and worked on building some of the ships in the Niagara Peninsula. I can remember a time a young welder was working down in the tank dock below the tank tops and he wanted some air so he turned on the oxygen, the oxygen from his acetylene torch, and when he struck the carbon arc rod that was the end of him. I can tell you, Mr. Speaker, what a horrible sight to see, a person coming out of that hole without a stitch of clothes on him, and more than third degree burns. He died a few hours after that.

These are the things that go on in industry today because one of the foremen says that you must do this or there is no job. Often inspectors walk into a plant. It is very odd that on certain days that you work in plants that there will be a word passed around to clean up. All employees know right then that one of the government of Ontario inspectors is coming into the plant.

It never fails. They walk in the door and everything is tidied up. The floors are swept up and everything.

But come in without any announcement and see what these fellows have to go through. Welders in many industries in the Niagara Peninsula work at their jobs without any ventilation whatsoever. There is nothing to remove the fumes and no inspection at all. I cannot possibly see what this bill would do.

The Factory Act some time ago incorporated some of these things. There is only one way that the government is going to get to the root of the problem of safety in the Province of Ontario, and that is when it passes legislation that says a safety committee in any industry—and it should be mandatory—of an equal number from management and employees shall be recognized by this province. I can tell the minister that this will reduce the number of accidents in the Province of Ontario.

One can have safety committees established by unions, appointed amongst the union members themselves, but even government mine inspectors that come in will totally ignore the safety committees of the union that are there.

Not too long ago, we met with Dr. Sutherland again, the members from local 6200 at Port Colborne, and some of the problems were aired there. It was not too long after that that one of the mine inspectors went in and inspected even the drinking water at this particular plant. This is the first time that the inspector went to the safety committee, or went to the union to tell it this is what we are going to do.

So you can see, I think, perhaps the opposition members are getting through to the government, that there is need for recognition of safety committees in plants, regardless if they are union or not. There should be a safety committee there that a government inspector should see the minute he walks into that plant along with management. I am sure they will hear both sides of the story. The government will see a reduction in the

number of accidents in the Province of Ontario. I say to the minister I wish he would incorporate it in this bill.

Mr. B. Newman (Windsor-Walkerville): Mr. Speaker, I would like to make a few comments to the minister concerning the bill to provide for the protection of persons in industrial establishments.

The first is in respect to customs and immigration officers working at border points. They are confronted with a different type of a problem and that is the fumes from motor vehicles. In my own community the incidence of respiratory diseases and heart conditions is by far greater among customs and immigration officers than it is among any other type of similar individual working in a different place. I would assume, Mr. Speaker, that they would have protection under this Act?

The second point I would like to bring to the minister's attention is that on days of excessive heat when it is much too warm or too hot for the individual to work, certain areas in the plant are more uncomfortable by far than are others. I am wondering whether this is taken into consideration in the bill itself.

In addition, in the industrial plants there is a problem at the end of an assembly line; when the vehicle is going to be removed and put out in the yard before it is distributed to the dealers, the engines are revved up. There is the increase in heat; there is, likewise, an increase in the incidence of motor vehicle pollution that has caused problems—I can recall the Chrysler plant in Windsor; whether that was resolved to the satisfaction of both management and labour, I am not at this moment able to actually indicate. Apparently it must have been resolved, because the workers were back at work.

There is one other point and that is the use of fine oil sprays in the plant. In some of the manufacturing processes this seems to be used. It not only affects the worker himself, but where industry is located adjacent to a residential area—industry takes care of the oil sprays and the other types of pollutants in the plant—but at the same time, they dispel it to the residents in the neighbourhood.

The air pollution control office may come along and say the pollution is within tolerable limits. That may be so when you measure it over an extended period of time, but at the time they rev up their motors, or turn up

their motors to emit or get rid of the pollutants, they are affecting people in the neighbourhood. I think some consideration has to be shown for the residents adjacent to the industrial establishment when the industrial establishment is attempting to take care of the persons working in the establishment, but completely neglecting the individuals who live adjacent to the plant.

In addition to this there is the problem of odours within the plant itself, especially in the foundry operation where I understand they use a fish oil as a binder in the core-making process. When the metals are poured the odours from that are maybe a little more than one can withstand. These odours likewise are dispelled into the atmosphere and directly affect individuals living adjacent to the industrial establishment.

Likewise there is one other, and that is the problem of dust, fine metal filings, and so forth which may be withdrawn from the atmosphere in the plant but are dissipated into the neighbourhood. I know these do not cover persons working in the industrial establishment, but I think something has to be done to accommodate those who are adversely affected as a result of this type of an operation in an industrial establishment. Thank you, Mr. Speaker.

Mr. F. A. Burr (Sandwich-Riverside): Just a few brief words supplementing what the hon. member for Oshawa was saying about asbestosis. I remember speaking on asbestosis in the 1969 session, and urging—or really asking; I was asking—whether the asbestos workers, of whom there were at that time about 3,000 in Ontario, wore masks or whether it was feasible for them to wear masks and whether those who worked in the asbestos factories were supplied with coveralls which they left at work and did not take to their homes?

The reason for this was the fact that a survey in England had shown that in a study of about 75 consecutive deaths from mesothelioma, 31 of these people had been asbestos workers. Eleven had lived within half a mile of the asbestos factory and nine had merely lived in the homes of asbestos workers.

You see the implication was that the fibres or the dust particles were carried home and breathed by the asbestos workers' families. To this day I do not think I have received an answer to this question. This came up under the estimates of the Minister of Health (Mr. A. B. R. Lawrence), and although

I was assured the information would be forthcoming it has not come yet.

I would like this minister to look into this aspect of it and to keep in mind that the safety precautions, as the member for Windsor-Walkerville intimated, are not only for the people inside the plant in some instances, but for the residents and the people who reside in the homes of the workers.

One final word. I was inquiring about a new plant at Amherstburg and about the air pollution that might be expected. The Minister of Energy and Resources Management (Mr. Kerr) replied that this new plant would be fulfilling the conditions and meeting the standards laid down. He sent my letter to the then Minister of Labour who replied that the in-plant conditions would be satisfactory because there were vents that were going to get rid of the fumes, as far as the workers inside the plant were concerned.

It seemed to me that there were two jurisdictions and that they were not exactly co-operating on this aspect. I would like the minister to take that under consideration also.

Mr. Speaker: Is there any other member who wishes to speak before the minister? If not, the minister has the floor to close the debate.

Hon. G. Carton (Minister of Labour): This bill, as was mentioned by one of the members, was as a result of the continuing review of the operations of The Industrial Safety Act, 1964, and the regulations by the industrial safety branch of the department; and by a number of groups in connection therewith. Among these was the Labour Safety Council of Ontario, and this body made a recommendation—a number of them—after reviewing submissions which they received from the Ontario Federation of Labour, the Canadian Manufacturers Association, the IAPA and many others.

I shall try to deal with the points as they were given by the members. In dealing with the first speaker, the member for Hamilton East, his main point, sir, in connection with the bill itself—other than the principle of the employees participating in these—was what recourse, or what protection rather, did the employee have under section 31 if he did the things that are specified in that section.

This matter was also brought up by the member for Dovercourt and the member for Oshawa. I would point out to the hon. members that in the bill, section 24, subsection 5 reads as follows:

An employer shall not discharge or discipline or threaten to discharge or discipline an employee because the employee has sought the enforcement of this Act or the regulations or has acted in compliance with this Act or the regulations.

Mr. Pilkey: Is the minister suggesting that covers action taken under section 31?

Hon. Mr. Carton: Yes.

Mr. Pilkey: I do not happen to think it does.

Hon. Mr. Carton: I believe it does.

Mr. Pilkey: Okay.

Hon. Mr. Carton: With respect to the participation of employees with the employers on a committee, I would agree that where it is voluntary on the part of the employer and the employee to set up a committee the results would be very good.

It is doubtful that if the parties were forced to set up a joint committee that it would be a very viable approach.

I recall during my estimates that the member for Oshawa and the member for Hamilton East had somewhat divergent viewpoints as to what might happen if it were made mandatory. The member for Oshawa seemed to take a very strong view that the employers would in no way allow this to happen and that this was their domain and in fact there would be a strike over it. The member for Hamilton East seemed to think that if it was done through legislation that it might be possible. But in any event, it is something that came up during the estimates and something that will be given study.

The member for Dovercourt, I think, had the same two main points—section 31 and I repeat the same answer to him with respect to section 24, subsection 5; and also about the employer-employee committee.

I might mention on this point about the employer-employee relationship that our inspectors operate on a regional basis. They do inspections and these are computerized. They have certain calls to make and they make them on a certain basis and this is probably 95 per cent of the inspections that are made.

If there are complaints from a union, for example, our department acts on these complaints. In fact, it has set up a very good relationship with the Ontario Federation of Labour, the Auto Workers and the Steel-

workers. The inspectors visit the plant and they talk to the shop steward and they try to pinpoint the area of complaint. Even after that, they do try to get in touch with them if there are still problems that remain.

It is incumbent upon the employees, or the unions, for that matter, to notify the department if they have a complaint and they are inspected. This is made possible possibly through the co-operation we have through the Labour Safety Council.

Insofar as the regulations are concerned, the member for Oshawa was mentioning that we still have provision for making regulations. This is true and in fact it will take some time—you will note that this Act comes into force the day it is proclaimed and the reason for that is that it will take possibly until the end of October to get all these regulations updated. Some of the points in the new legislation, as the member for Oshawa pointed out, are included in the legislation, but there are many regulations that remain to be brought up and updated and there are new regulations to be made.

The member for Oshawa mentioned the fact that some of the information was confidential and this is true and I think this has to be in some cases. Also during the estimates this point was brought up and I promised I would have a look to see if something could be done, perhaps by having a report put on the notice board which might, in some instances in any event, alleviate the problem dealing with the employees.

The member for Oshawa mentioned a certain right on payment of fees—and I would for his information point out that this section really deals with the legal profession in the main to this degree that when a client is buying an industrial property, as lawyers are wont to do they check out everything very thoroughly and it would put a very heavy onus on the department if everybody could write in requesting up-to-date reports on each industrial plant. So there is a fee for that charged and when the fee is paid the information is given out on the request of the owner, the vendor.

Environmental control was another topic that was brought up. This is in fact covered by the regulations presently and will in fact be covered by the regulations under this Act when it is passed. They contain standards of every description for environmental control.

The hon. member for Oshawa mentioned the Johns-Manville plant. There is a strike

on there presently. I know that the topic of the asbestosis is one that is being discussed, but whether or not it is one of the main issues at the outset I do not know. But I would point out that during the past few years the degree that is allowed has been brought down to a safe point. And where you now have someone who has asbestosis it was probably contracted through the last 20 years or so, at which time in fact they did not have the same degree that we have today.

Mr. Pilkey: How come the minister did not have Dr. Scilicoff take a look at it then, to make a proper assessment? He was denied an entry.

Hon. Mr. Carton: With respect to protective equipment, we are interested in safety. Whether or not the employer or the employee pays for it really is not the concern of our safety department. With respect to some of the matters raised by the hon. member for Windsor-Walkerville I think he answered two or three of the questions himself.

I would point out that the one about the automobiles was probably settled because there has not been any further complaints. I would mention also the customs officers whom he mentioned are federal employees. But in any event, these would all be covered and inspected under programmes of external pollution under The Department of Energy and Resources Management.

I have made a note of the two matters raised by the hon. member for Sandwich-Riverside and I will contact the Minister of Health with respect to that letter. Mr. Speaker, that is all I have to say.

Motion agreed to; second reading of the bill.

Mr. Speaker: Shall this bill be ordered for third reading?

Mr. Gisborn: Mr. Speaker, I think our party would be willing to let it go for third reading. I must say the minister took me aback with section 24. I read it all but the last paragraph and I think it covers the section I was concerned with. If the minister could just give me a plain nod that he would reconsider at some time in the near future the supplying of reports if requested to employees under section 14, then I am happy to let it go to third reading.

Mr. Nixon: Careful—do not nod.

Hon. Mr. Carton: I want to see what section 14 says.

Hon. A. F. Lawrence (Minister of Justice): All he has to do is consider it anyway. Nod, for heaven's sake!

Mr. Gisborn: Making reports available for a fee.

Hon. Mr. Carton: Making reports available for a fee? That is done for a fee but it is done on the advice of the owner. It is not anyone who can get that report. It is done through the owner giving his consent.

Mr. Nixon: Agreed!

Mr. Speaker: Shall the bill be ordered for third reading?

Mr. Pilkey: Mr. Chairman, can I ask one question of the minister please? I just wanted to get this one point clear in my mind. He says that section 24 really covers section 31. Now I hope he is right, because I just do not happen to read it that way, that 24 covers 31. But if the minister says that is the way it is I am prepared to accept it at this point. We will have to see practical application of that before I will believe it.

Mr. Speaker: Shall this bill be ordered for third reading?

Agreed.

HANDLING AND USE OF HYDROCARBONS

Hon. Mr. Carton moves second reading of Bill 91, An Act to regulate the Handling and Use of Hydrocarbons.

Motion agreed to; second reading of the bill.

Mr. Speaker: Shall this bill be ordered for third reading?

Agreed.

WORKMEN'S COMPENSATION ACT

Hon. Mr. Carton moves the second reading of Bill 92, An Act to amend The Workmen's Compensation Act.

Mr. Speaker: Shall the motion carry?

The hon. member for Oshawa is on his feet.

Mr. Pilkey: Go ahead; I yield to the member for Dovercourt.

Mr. Speaker: The hon. member for Dovercourt.

Mr. De Monte: Thank you.

Mr. Speaker, in examining the Act for my party, there is no doubt that this bill is a laudable amendment to The Workmen's Compensation Act, in that it increases the benefits to widows and orphans of employees who have been killed or died from injuries received in industrial accidents. It also raises the limit of recovery from 75 per cent of \$7,000 to 75 per cent of \$9,000.

I often wonder, Mr. Speaker—well, I have wondered since this bill was introduced—if the minister was pushed along by the fact that I introduced a private member's bill, that certainly went a bit further than this, and there is no doubt about that.

Mr. Pilkey: There is no question about that.

Mr. De Monte: So it does a man's heart good who sits in this assembly, Mr. Speaker, because if one pushes hard enough and long enough, it seems that things are done in this assembly.

Mr. Nixon: Hear, hear!

Mr. De Monte: The only problem, Mr. Speaker, is that when I do look at the bill it seems to strike me fairly badly, in that if a man is injured in an industrial accident and is injured to the extent where he is completely disabled, he gets 75 per cent of his salary as a pension up to \$9,000, subject to certain technical calculations. But if a man is killed or dies from an industrial undertaking, what happens? They cut his widow's pension down. If a man is making \$9,000 a year—let us say he is making the maximum allowable under the Act from which he can recover 75 per cent—and he is permanently disabled to the point where he is unable to do any work, then that man can collect \$6,750 in pension.

Suppose he is sick for a couple of years and he dies as a result of the industrial accident; you know what happens. His widow's pension is cut down to \$150, or whatever it is here now, \$175 for herself and \$60 for her children.

I would suggest, Mr. Speaker, that this is a grossly unfair way to handle the widows and orphans of men who are killed in industrial accidents. I think that the widow should get 75 per cent of the workman's wage up to his monthly total, or as is set out in the Act under section 40, where she cannot recover more than what his monthly wage is.

I happen to think the widow should get the maximum the workman should have got if he was totally disabled. I do not think that the pension of widows and orphans should be

cut down; and I do think there should be a minimum, as is set out in the Act, as to what the widows and orphans can get if the workman does not earn enough to bring it up to the \$355, as set out in the Act. It is laudable to see that the minister has applied this section to all widows and to all payments after August 1, 1971. I can only commend the minister on his attempt to bring the Act into the twentieth century and to give the benefits to the people that really need them.

In connection with the raising of the maximum from \$7,000 to \$9,000, I happen to think, and my party happens to think, that there should be no maximum, Mr. Speaker. Why should a man who is injured in an industrial accident who is making \$10,000 a year take a loss under The Unemployment Insurance Act? How about the man who is making \$12,000 or \$15,000? I happen to think, and my party happens to think, that there should be no limit.

But there is a little section here, subsection 2, of section 2, that says:

Subsection 1 applies only for the purposes of computing average earnings in respect of accidents occurring on or after the 1st day of August, 1971.

This means they are not really fixing anything up. They are making it possible for the men who are injured after August 1 to get benefits under this Act, but the men who were injured prior to August 1 are going to go along in their own merry way. Their calculations are based on \$7,000, and I wonder—I do not see where it is covered in the Act, but I think some men are covered under the calculations made under the old Act where there was \$5,000 and before that something else. I think this is grossly unfair. I think that if we are going to apply the maximum we should apply it to all men on existing pensions so that we could bring everybody up to date. By up to date I mean up to the concepts that we have set out in this Act.

I cannot see why a man should be penalized firstly, if he was hurt in 1960, by having his pension based on his earnings in 1960. He certainly does not make any increments. Because he is not working, he does not get the natural increments that his union would get for him or the natural increments that come along every year to the work force in Ontario.

We have even had increments every year to the minimum wage, but we do not have any natural increments for the person who is on workmen's compensation pension who was

hurt in 1960. I have a specific case of a man who was hurt in 1957; I think he was earning \$60 a week, and his pension has been calculated on that basis for 14 years. Now he is 14 years older, the injury he suffered is getting worse and he is always down at the Workmen's Compensation Board, but the board's hands are tied. They cannot give him a decent pension because it is not allowed in law.

I am convinced that the chairman and his co-chairman down there do not really want to harm anybody, but they are duty-bound to carry out the terms of the Act.

I think perhaps we might just think about these workmen who have been hurt in previous industrial accidents, who have lost their natural increments because they certainly cannot get any, for they have no union to negotiate for them. They are not working, so they do not get the increments that naturally accrue to a workman over the years, and they are probably not even getting the natural increments in the minimum wage.

I think, Mr. Speaker, that when this bill goes to committee, this party will move an amendment to that particular section, setting it out in the Act and making it retroactive for every workman in Ontario who was injured in an industrial accident, that there should be no maximum under the Act.

If a man makes \$12,000 a year and is injured, in my respectful opinion there is no reason that he should take a loss. He is taking a loss now by being allotted 75 per cent of his wage, and of course we calculate that, if he is not paying tax on that money, that is a just and reasonable reduction.

But this party, subject to what I have said, will support this bill. And may I say to the hon. minister that I have to congratulate him for introducing this bill at this time.

Thank you very much, Mr. Speaker.

Mr. Speaker: The member for Oshawa.

Mr. Pilkey: Mr. Speaker, first of all, the limit that the member for Dovercourt talks about, the \$9,000—the increase from \$7,000 to \$9,000—obviously is an improvement in the bill.

I do not know what formula or what was used to make that determination of \$9,000. Obviously the minister must have had some formula to come up with that figure, or it is just some arbitrary limit that he has placed on the amount of earnings that can be taken into consideration when ascertaining what the benefit level should be for an employee.

I want to suggest to the minister that there are a number of workers in this province who are earning in excess of \$9,000 a year, particularly those in skilled trade classifications. Surely the amount of money that they receive as a result of an accident in a specific industry should be applied against their total earnings as opposed to some arbitrary limit that I do not know what formula was used to determine. It appears to me that should be predicated on the employee's total earnings.

The other one is more invidious. This question of increasing the monthly payment from the present \$125 to \$175 for a widow and from the present \$50 to \$60 for a dependant. I want to tell the minister that this is an arbitrary limit as well. There obviously cannot be any magic formula that the minister used to make that determination because if some formula was used he would have understood that this is totally inadequate to provide a decent standard of living for the widows and their children in this province.

Let me tell you something. The member for Dovercourt pointed out that an employee, even on the minister's standards, even using his \$9,000 figure—and 75 per cent of that is something in excess of \$6,700 a year—but let us take the minister's maximum position now. Your maximum position will be \$355 for a widow, regardless of how many children she has in excess of three children. That totals, if my mathematics are correct, \$4,260 a year or \$80 a week, as opposed to the \$6,700 that her husband got when he was receiving a total disability benefit. In other words, there is a discrepancy of \$2,500 for his widow and their family.

Surely if a worker is injured in industry and his family is enjoying a standard of living commensurate with the salary that he earns, surely that standard of living should not be jeopardized because he met his death as a result of an industrial accident? But that is what this legislation is doing. It jeopardizes her standard of living and puts her, in essence, in a poverty level, not much higher than that enunciated by the Economic Council of Canada. That is where this government is placing that widow and her family.

As a matter of fact—I do not know how the minister makes that determination either—he determines if she has three children that is as high as it can possibly go. If she has five or six children to look after, there is not one penny for them; not one penny. I think that it is a crime that in an affluent province such as this that people should be treated in this manner.

I appreciate that the minister previously raised it from \$235 to \$355, but again I say to him that it is totally inadequate and it does not give these people the opportunity to maintain the same standard of living that they had previously. That is what has to be done.

Surely the employers in this province have a responsibility if there is an industrial accident in their plants which costs the life of the wage earner? They have a responsibility and they do it collectively. You do it collectively right across the province as it relates to the incidence of accidents. Surely they can assume that responsibility, that the widow who is left is given enough financial resources to maintain the same standard of living that she had previously?

Let me tell you that if we took a widow and one child, which would be \$235 a month, and if you translate that into an hourly rate, you are giving her \$1.35 an hour, 30 cents less than the minimum wage in the Province of Ontario. Thirty cents an hour less than the minimum wage! And this is the criterion that this government uses to determine the very minimum standard of living that a person should get. At least I should hope that is what you set as a criterion in the Province of Ontario.

She would be getting \$1.35 an hour, and the very maximum that a widow with a large family could get is \$2.05 per hour if we translate the monthly payment into an hourly one based on 40 hours a week. I just happen to think that is a crime. If we cannot provide these widows with a decent standard of living after the wage earner has passed on; surely it is shock enough that they lose their loved ones, the wage earners in that household, and yet we do not compensate them adequately as a result of that catastrophe? Because that is exactly what it is, a catastrophe.

I would inform this government that even we will support this half a loaf—and that is what it is—we will support this. And I want to tell you very frankly that it is one of the downfalls of this government since I came into this Legislature. Too often you are passing on a half a loaf to the people of this province and they are just not going to accept it. It has been demonstrated in five of seven provincial elections, in each province the party in power has been defeated because they have been historically handing out half a loaf and the people are not going to tolerate that any longer. I want to urge on this government in the future when they provide this

kind of legislation that they provide adequate means to look after the people as they should in a province as affluent as Ontario.

Mr. Speaker: The hon. member for Hamilton East.

Mr. Gisborn: Mr. Speaker, there is not much more that can be said in regard to the two changes in this bill and this amendment to The Workmen's Compensation Act but to relate in another way the principle involved.

I guess the principle involved is how much money should we give to a widow and her children when the breadwinner is gone. To relate it another way, we find that the Ontario Economic Council in 1968 declared the poverty level for a family of four to be \$4,200 and that was adopted as being just not quite enough by the Canadian Welfare Council, but nevertheless they accepted it. That was in 1968 and there is some argument that they were talking about a man, wife and two children and here we are talking about either the widow or the invalid father and three children.

Now that leaves them \$267 short at this time because the latest upgrading of the Economic Council's amount for a family of four is now at the present time \$4,527, while the Act provides for \$4,260. Now if you change that to five in the family, the Economic Council in 1968 said that \$4,800 was the poverty level. At the present time, it is \$5,184 but we have this limit that only provides \$60 a month for the first, second and third child. That certainly puts the widow or the invalid father in a precarious position if they have over three children.

If they have four, five, six or seven children, of course, you only have to do simple arithmetic to multiply the problem they are faced with. If we stick to even that maximum, we have to realize that that maximum, or that amount, immediately makes that widow and the three children ineligible for any other assistance because they would not qualify. Of course, they have to pay their own hospital and medical insurance which is a slice of \$309 a year immediately off the top.

I have heard some of the arguments—"Well, most of the industry have an insurance policy and, of course, they would pick up the insurance." In Stelco, I think, it is now \$10,000. They would pick that up either in a partial lump sum and pro rated on a monthly basis until it runs out; they may pick up some partial coverage but that only lasts a short period of years and then they are back into a very serious problem.

I do agree with the other member that there should be a higher maximum so that it takes care of a family with more children. I think there were two deaths in Hamilton within the last six days in industrial plants. If I remember correctly, one of the young fellows killed had seven children as was mentioned in the paper and the widow is going to face a great deal of frustration in trying to carry on with what she will be entitled to under workmen's compensation. I believe over the period of the last six or eight weeks there have been six deaths in industry in the Hamilton area. I think the whole thing deserves looking at.

I would hope the minister would be as frank in his approach to the amendments to The Workmen's Compensation Act, as he has been with the previous bill we just discussed and passed, as to how they arrived, and what formula they have used to arrive at their maximum in the figures.

Mr. Speaker: The hon. member for Timiskaming.

Mr. D. Jackson (Timiskaming): Mr. Speaker, the way I understand The Workmen's Compensation Act, it is to compensate a man for monetary loss through an industrial accident or an industrial disease.

The Act sets the figure that he can be compensated for at 75 per cent of his wages previously up to a maximum of \$7,000, but under this new bill up to \$9,000. The government arrived at 75 per cent, Mr. Speaker, or so I have been told many times, by saying that because he has none of the expenses of employment—no travelling expenses, no tax—75 per cent is ample compensation for his loss. Possibly that is true, providing the person earns less than the maximum amount.

What we are doing by setting a maximum amount under present-day situations when the average person is earning—or should I say many persons earn—over \$9,000, is cutting down that 75 per cent. What we are saying to him is that no longer is he receiving adequate compensation under this. The very thought behind the Act is to compensate the man for loss of wages due to an accident or due to an industrial disease. It no longer applies.

In other words, the 75 per cent today, if we follow through on the thinking of the board in part years, is not adequate compensation. It is not fair compensation, so if we are going to retain the 75 per cent figure, then we must stop setting an arbitrary top level figure. It must adequately reflect the

man's income and I would say to the minister that either he removes the top limit and allows compensation to be made on the man's actual income, or he changes the 75 per cent figure so that the man can receive compensation that is more in line with his earnings and is adequate compensation for the loss of earnings due to the accident.

Hon. Mr. Carton: Mr. Speaker, I share the genuine concern of the hon. members opposite on matter like these. One always feels that one cannot give enough to orphans and widows; I think we all share this concern. However, there is the other side of the picture. The members realize that this does not come out of the consolidated revenue fund; this is paid for by the employers. There are no employee contributions. One always has to have a guard on the costs.

On that point, I would like to tell the hon. members that with respect to the increase affecting some 4,500 and 4,400 dependent children, the total cost to be defrayed through increased assessments would be \$26,040,534. This would be amortized over 10 years at \$3,364,671 per year; that is a 2.9 per cent increase in benefit costs. That is the one factor. With respect to the ceiling going from \$7,000 to \$9,000, this would have to result in a cost of roughly \$3.8 million which represents a 3.2 per cent increase in benefit costs to industry. So we have a 6.1 per cent increase in benefit costs to industry.

The members can appreciate that, depending on what particular industry one is in, it can be quite effective in increasing one's premiums, because all the particular industries are not in the same area.

I would like to point out to the hon. member for Hamilton East that the widow he talked about, whose husband died, with seven children this past week, or two weeks ago, will get \$175 a month plus seven times \$60, which is \$420, which totals \$595 a month. I am not saying that is adequate, but that would be the amount she is getting. However, I would also point out to the hon. members—

Mr. Pilkey: How would she get that?

Hon. Mr. Carton: Seven times \$60 is \$420 and \$175.

Mr. De Monte: No, she could not get that.

Mr. Pilkey: But have we not got a maximum of \$355?

Hon. Mr. Carton: No, that is not a maximum. That is a minimum. She will get \$595 a month.

Mr. Pilkey: It says, "not exceeding in whole, \$355."

Hon. Mr. Carton: I know, but if the member reads that in connection with the other section, it is a minimum.

Mr. Speaker: Will the minister accept a question from the hon. member for Dovercourt?

Hon. Mr. Carton: Yes.

Mr. De Monte: Suppose the workman's wage is not \$525 a month; then she cannot collect that, can she?

Hon. Mr. Carton: Yes. Supposing there were 10 children; she would get \$175 a month plus \$600 which is \$775, which is over the \$9,000. And she would get it if the man's earnings were in excess of that.

Mr. Pilkey: Could I ask the minister a question then?

Hon. Mr. Carton: Yes.

Mr. Pilkey: How does he interpret this language: "not exceeding in the whole \$355"?

Hon. Mr. Carton: If you take the first two sections—I had the same problem; that is why I know. I had the same problem of interpretation. What I am telling the member now is a fact, if he will take my word for it.

Mr. Good: Why does the bill not say that?

Mr. Pilkey: Who is the author of that?

Hon. Mr. Carton: One point that I would like to make to this assembly, is, I would like to give you the comparisons and I am not doing this in any respect of saying that we are first—

Mr. De Monte: A point of information, if the minister would answer another question.

Mr. Speaker: Would the minister answer a question?

Hon. Mr. Carton: Certainly.

Mr. De Monte: I refer to section 37, subsection 3. Maybe that is at variance and I do not understand it, Mr. Speaker, but it says:

Exclusive of expenses of the burial or cremation of the worker and the lump sum payment of \$500, the monthly compensation payable under subsection 1 shall not in any case exceed the average monthly earnings of the workman, and if the

monthly compensation so payable exceeds such earnings it shall be reduced accordingly and where several persons are entitled to monthly payments, the payments shall be reduced proportionately et cetera except that the minimum shall be as set out in subsections a, b, c and 4.

Hon. Mr. Carton: I would explain to the hon. member the wording in that section is the same wording that has been in now since—

Mr. De Monte: Yes, I am only on a point of clarification.

Hon. Mr. Carton: Right, and would the member take my word for it because I had the same problem of interpretation and I am advised that this is in fact the case.

Mr. Speaker: We are getting now into matters which should be considered in the committee, if it is going to the committee. If it is not going to the committee we could allow perhaps more questions now.

Hon. Mr. Carton: One thing I would like to point out, Mr. Speaker, as I say, I do not point to this in any sense of pride particularly, but I would like to mention some of the levels of compensation in the other provinces of Canada.

In the Province of British Columbia, which is recognized as being a "have" province, the maximum earnings covered are \$7,600, as opposed to Ontario's \$9,000. The widow's monthly pension is \$140.19 as compared to \$175 in Ontario; and for children it varies, but roughly from \$48 to \$54, as opposed to \$60.

But the one, sir, that did certainly bolster my confidence in what legislation we have brought in here recently is the recent amendment made in Manitoba, which is the New Democratic government. These are effective July 1 of this year.

Their maximum earnings covered are \$8,000, as opposed to Ontario's \$9,000—

Mr. Pilkey: The minister just raised them.

Hon. Mr. Carton: They give \$45 to children, as opposed to our \$60, and their widow's pension is \$120 opposed to our \$175.

Interjections by hon. members.

Hon. W. A. Stewart (Minister of Agriculture and Food): How much an hour is that?

Hon. A. F. Lawrence: On top of that they have the highest taxation in the world.

Mr. Pilkey: What have they got out there? Less than one million people.

Hon. Mr. Carton: Mr. Speaker, I realize that no matter what one says on this topic—

Hon. A. F. Lawrence: They have cheaper auto insurance.

Interjections by hon. members.

Hon. Mr. Stewart: The member for Oshawa better go run his grocery store.

Hon. Mr. Carton: It is always "too little, too late" there.

Mr. Nixon: They save a lot on the co-op grocery stores.

Mr. Pilkey: This is not going to wash. We will straighten all that out.

Mr. Nixon: What would you do? Reduce the payments here?

Mr. Pilkey: We will change that.

Mr. Speaker: Order! Order!

Interjections by hon. members.

Motion agreed to; second reading of the bill.

Mr. Speaker: Shall this bill be ordered for third reading or committee of the Whole?

Committee of the Whole.

Agreed.

HOTEL FIRE SAFETY ACT

Hon. A. F. Lawrence moves second reading of Bill 84, The Hotel Fire Safety Act, 1971.

Motion agreed to; second reading of the bill.

Mr. Speaker: Shall this bill be ordered for third reading?

Agreed.

FORT WILLIAM LAND TITLES AND REGISTRY OFFICE ACT

Hon. A. F. Lawrence moves second reading of Bill 85, An Act to repeal The Fort William Land Titles and Registry Office Act, 1917.

Motion agreed to; second reading of the bill.

Mr. Speaker: Shall this bill be ordered for third reading?

Mr. Pilkey: No, move into committee.

Hon. A. A. Wishart (Minister of Financial and Commercial Affairs): Oh no!

Mr. Pilkey: Right. This is what we were talking about earlier. The member for Lakeshore (Mr. Lawlor) wants to talk to these bills. He is in the other committee. This is exactly what we were talking about previously.

Mr. Nixon: If he has got anything to say about that I guess we will—

Mr. Speaker: Order. There not being unanimous—

Mr. Pilkey: This is exactly what—

Mr. Speaker: Order. There not being unanimous consent it must go to Committee of the Whole House.

Agreed.

SURROGATE COURTS ACT

Hon. A. F. Lawrence moves second reading of Bill 86, An Act to amend The Surrogate Courts Act.

Mr. Nixon: Mr. Speaker, the same argument may be put forward about these other bills. Certainly our examination of these bills that we are discussing now is that they are very routine bills indeed. They can be held over for committee examination, but our feeling in this party is that they are routine legislation and it would be a good idea to get them off the order paper.

Mr. Pilkey: Mr. Speaker, to the point that was raised by the Leader of the Opposition, this is the point that the leader of the New Democratic Party raised this afternoon: There are people in the committees now who cannot speak to these bills. Maybe they are routine; I really do not know whether they are routine or not. The Leader of the Opposition says they are routine, I do not really know if they are but in any event—

Mr. Nixon: Well the member's caucus should check them out.

Mr. Pilkey: Just a moment!

The member for Lakeshore was here and did not know whether they were coming up. He has both those items marked on his order paper and I am sure he may have had something to say in regard to those bills. He is now in another committee. Now with great respect, the leader of the New Democratic Party asked for the legislation—

Mr. Speaker: The hon. member is repeating himself and repetition is not necessary. He has made his point. Is there anyone who wishes to speak to this bill further on second reading?

Motion agreed to; second reading of the bill.

Mr. Speaker: Shall this bill be ordered for third reading?

Mr. Pilkey: No.

Mr. Speaker: Committee of the Whole House.

Agreed.

COUNTY COURTS ACT

Hon. A. F. Lawrence moves second reading of Bill 87, An Act to amend The County Courts Act.

Motion agreed to; second reading of the bill.

Mr. Speaker: Shall the bill be ordered for third reading?

An hon. member: No.

Mr. Speaker: Committee of the Whole House.

Agreed.

FARM PRODUCTS MARKETING ACT

Hon. Mr. Stewart moves second reading of Bill 88, An Act to amend The Farm Products Marketing Act.

Mr. Nixon: Mr. Speaker, briefly to this bill, it is in preparation, as I understand it, for the passage of federal Bill C-176, which will give Canada nationwide marketing procedures, which are to be desired.

We have had some discussion in this House previously concerning the delay in this legislation and I believe a majority of the members—and I have not heard a dissenting

voice—hopes that the legislation will be proceeded with forthwith at Ottawa; we all regret the fact that the legislation has not passed through Parliament before this date.

We on this side feel that one of the substantial threats to the farm marketing procedures in our country has been the procedures of a number of provinces, including Ontario, in the passage of legislation which we consider, if not illegal unduly restrictive in interfering with interprovincial trade. We have had that argument, before Mr. Speaker, on a bill that has been discussed in this House.

It is my hope that this bill when it is proclaimed following the passage of Bill C-176 with or without the 32 amendments pending, will give some considerable order to what is approaching chaos in the marketing of a good many agriculture products. We support this legislation. We hope it will be opportune to have it proclaimed at an early date and in fact that the federal legislation, with the co-operation of the provinces with legislation similar to this, will do something for the agricultural community when obviously something must be done.

The minister has said recently in this House that while he is concerned with the level of monetary returns for the agricultural community he has not had as many complaints as apparently we in opposition have.

I do not think the bill calls for any full-fledged farm economy debate. The minister is surely as concerned as anyone, since he himself is a farmer, and maybe this time next year will be making his living at it.

We believe it is essential that we back away substantially from the brinkmanship that has been practised by Ontario, Quebec and at least two of the western provinces.

We have examined with a great deal of interest the important decision of the Supreme Court of Canada. It is our view that that decision, having to do with interference of interprovincial trade, does have application to legislation here. It is going to be tested in the courts, and I would predict, Mr. Speaker, found substantially wanting.

I am glad this legislation is here. It means that Ontario is ready to take part in national marketing programmes when they are available. We hope, on this side, and I know it is echoed by members opposite, that such legislation will be available as soon as possible for the benefit of the agricultural community.

Mr. K. C. Bolton (Middlesex South): Mr. Speaker, we in the New Democratic Party find no problem supporting Bill 88. Its purpose is quite clearly expressed. We note it is designed to permit the government of Ontario to participate in any national marketing plan established for a farm product by the government of Canada.

Many of us have watched with real apprehension the marketing struggles between various provinces, specifically of late, the tension between Ontario and Quebec, commonly referred to as "the chicken-and-egg" war. We recognize that farm marketing is in a chaotic state and that the struggle between rival producers and competing provinces has become almost fratricidal. We hope the options opened by this bill will be used wisely and responsibly to strengthen the relation between all the provinces in the interest not only of vigorous and healthy farm industry, but also of a co-operative and united Canada.

We support the bill.

Mr. Speaker: Any further member?

Mr. M. Gaunt (Huron-Bruce): Mr. Speaker, this party of course, as my leader has said, is committed to the proposition of national marketing. I am just wondering if the minister could bring us up to date with respect to the progress of Bill C-176. Does he have any indication—

Mr. Speaker: Of course, this has nothing whatsoever to do with the Ontario bill.

Mr. Gaunt: With respect, Mr. Speaker, I suggest to you, sir, that it is of interest.

Mr. Speaker: The minister of the Crown in Ontario is in no position, in Mr. Speaker's opinion, to report with respect to actions in another jurisdiction.

Mr. Gaunt: Without the national bill, Mr. Speaker, there is no point in—

Mr. Speaker: That is quite true, but this minister is in no position to report on the progress of the national bill, in my opinion, and the question is not a matter for this House.

Mr. Gaunt: All right. Let me tackle it from the point of view as to whether the minister has any indication of the date on which he is going to proclaim this bill. Perhaps we can get it that way and that would then indicate the progress being made at the federal level.

We are all aware of the problems; the "chicken-and-egg" war that has been going on for the past number of months. We all realize that three provinces, namely, Manitoba, Ontario and Quebec, are engaged in an agricultural battle, which involves mainly eggs and chickens. It seems that the only reasonable way out of this dilemma is through the implementation of national marketing. I am wondering when the minister sees the proclamation of this bill which will then dovetail in with the national marketing scheme.

Mr. R. F. Ruston (Essex-Kent): Mr. Speaker, I will not prolong the debate here. I just want to say that with the dilemma that many of the farmers are in today, especially in egg marketing and hog marketing at this time and others as mentioned by my leader.

I talked to a federal member the other day who informed me of the problems they have had with marketing legislation for Canada; and of course this bill has to do with whether we can then join it.

Apparently they did try before the Parliament closed last week, in an emergency sitting on the last day, to put the bill through, but they needed the assent of all parties. If 20 or more members object, then they cannot sit at night and apparently they could not extend the sittings because more than 20 members of the Conservative Party and the NDP voted against it.

But I am not holding what went on in Ottawa against our minister. We know that he feels that national marketing is a necessity in order to keep our farmers viable and we give him great credit for that. When the committee held its meetings in this area, the Minister of Agriculture and Food did get up and put his views across very strongly. So we do give him credit for that.

However, we know that we have many problems in farming in Ontario, and whether the minister here can solve any of them, perhaps he could do a little better on some of them; we hope he would try.

However, as I say, we support the principle of this bill.

Mr. Speaker: Does the minister wish to make any remarks in reply?

Hon. Mr. Stewart: Well, Mr. Speaker, I welcome the support for this bill, which seems obvious, from both the opposition party and the New Democratic Party.

In reply to a question posed by the member for Huron-Bruce regarding the date of proclamation, without offending your ruling, sir, I would like to suggest that I have no idea when the date of proclamation may be.

As the member for Essex-Kent has suggested, the House of Commons did give consideration to Bill C-176, I believe, the day before the House adjourned for the summer recess; it made little progress, and in fact I felt perhaps it might die on the order paper. But I have been assured by the federal Minister of Agriculture, Mr. Speaker, that he intends to reintroduce the bill when the session resumes following the summer recess and we would hope that it may receive more favourable consideration at that time.

On the other hand, I think we have to be realistic enough to recognize that there is very strong opposition to this bill emanating from western Canada particularly. We took the position finally, realizing this opposition did exist, that perhaps it might be more appropriate for the federal minister to suggest that the bill be implemented but that any commodity coming under the jurisdiction of the bill be brought on by resolution of the House of Commons.

In other words, if there was to be application of the bill to marketing of eggs on a federal basis, a resolution would be debated in the House of Commons and passed there.

So the bill would only then have application to eggs; the same could apply to broilers, potatoes or whatever. But it would not be the omnibus type of bill that is presently before the House of Commons. I think he made that proposal. It may be that after the summer recess there will be acceptance of it.

I would say, however, Mr. Speaker, that we now have embarked on a path of exploration with the Provinces of Quebec and Manitoba, to determine if we can bring in some type of a programme under The Agricultural Products Marketing Act of Canada which will be a co-ordinated marketing approach. We think this can be done. The law officers of our government feel very definitely that it can be done; the Ontario government feels very definitely that it can be done. The federal government's law officers, I think, had some doubts, but I believe they are less doubtful today than they were.

We think this is the way to resolve it. So this bill will put us in position that, if it is necessary to proclaim it, we can proclaim it and we will be able to qualify under either bill, should events so evolve to that degree.

Motion agreed to; second reading of the bill.

Mr. Speaker: Shall this bill be ordered for third reading?

Agreed.

AGRICULTURAL REPRESENTATIVES ACT

Hon. Mr. Stewart moves second reading of Bill 96, An Act to amend The Agricultural Representatives Act.

Motion agreed to; second reading of the bill.

Mr. Speaker: Shall this bill be ordered for third reading?

Agreed.

THIRD READINGS

The following bills were given third reading upon motion:

Bill 84, The Hotel Fire Safety Act, 1971.

Bill 88, An Act to amend The Farm Products Marketing Act.

Bill 90, An Act to Provide for the Protection of Persons in Industrial Establishments.

Bill 91, An Act to Regulate the Handling and Use of Hydrocarbons.

Bill 96, An Act to amend The Agricultural Representatives Act.

Clerk of the House: The 53rd order, House in committee of supply; Mr. A. E. Reuter in the chair.

ESTIMATES DEPARTMENT OF JUSTICE (continued)

On vote 901:

Mr. Chairman: The hon. Leader of the Opposition.

Mr. R. F. Nixon (Leader of the Opposition): Mr. Chairman, I would like some additional information, further to the answers today

from the Attorney General, on the government's policy statement on offtrack betting. I wonder if the Attorney General could make it—actually I was surprised that the statement was not made in the House.

I know it was released by the Premier (Mr. Davis), I guess in his absence through illness. I am not sure how it was released, whether it was filtered out of his office or whether the Attorney General in the Premier's name had a press conference in that regard. I would like, however, some of the details put on the record here for my own information.

What is the prospective timetable in the implementation of the government's policy, without regard to decision at the federal level? We can assume, having been told so frequently, that the government of Canada is waiting only for the Attorneys General to give their recommendations and that they will move to correct or to amend The Criminal Code in this regard. What does the Attorney General consider a likely timetable? Are we talking about six months? A year?

Hon. A. F. Lawrence (Minister of Justice): I would think there still has to be a great deal of consultation between Ottawa and the provinces and specifically with us here. We are pushing right ahead with an interdepartmental task force to come up with the recommendation to the government respecting the best means of implementing the broad policy decisions that have already been made.

Timetables; I just do not know. This is one of the ones on my desk that is marked "as soon as possible."

Mr. Nixon: How can you explain that the chairman of your interdepartmental task force did not know about his new duties when he was asked about them by a representative of the press?

Hon. A. F. Lawrence: No, I do not think that is true. I think that is a stock answer you will get from civil servants when they are under some sort of admonition to play it cool and close to the vest.

Mr. Nixon: I think you are kidding. The words when they were reported sounded something other than a stock answer. They sounded like complete amazement, surprise.

Hon. A. F. Lawrence: I do not think so. I can assure the hon. member we have been gathering the material for this task force for some time. We have quite an extensive amount of material on hand in respect of

what has been happening in other jurisdictions—New York, Japan, Australia, the UK. Now we want to get as much information as possible from experienced people here and, hopefully, we can now draw on their expertise and experience.

Mr. E. R. Good (Waterloo North): Charge them \$50.

Mr. Nixon: Will the Attorney General indicate his concept of the way this business might work; whether the total handled will go through the totalizer of the track concerned, or if in fact only a part of it will accrue to the benefit of the track owner and operator?

Hon. A. F. Lawrence: No. I again—

Mr. Nixon: Your own views.

Hon. A. F. Lawrence: All right! Again, there is no sense in asking people to submit information or briefs, or for that matter there is no sense even in setting up the study groups we have if we already know the answers.

We do not know the answers but certainly we do not think the experience in New York City is a happy one, where there is a split.

The parimutuel machines are still working away at the tracks and yet there is, as I understand it, a different setup in Grand Central Station or wherever it is the thing has been set up for that particular betting operation. We think it has got to be done in one place, under one control and that would be the government's control.

If you go to place your bet at the track it is fed into the odds machine or whatever it is—it may not even be a parimutuel system, you know. It may not be the same electronic equipment that you use to feed the same information from outside of the track. It need not be at the track. It need not be under the control or the supervision of, or even have employees of the track working on that sort of arrangement. I do not know.

That is the situation that appeals to me as being the neatest, cleanest and most controllable. Again, it may not be the one that will be recommended to us. Am I making myself clear?

Mr. Nixon: There is a point that is not clear to me unless part of the programme is to take over the ownership and control of the track. Certainly, if the Jockey Club, as a stock company, privately owned and operated, is going to have the benefit of all of

the bets going through the machinery at their track, then a specific percentage is removed as their income from that basis. And if, as the Attorney General has indicated, there would probably be a substantial expansion in the number of dollars bet through the machinery established by the government and operated by the government, then at least there is an argument that the private owners of the tracks concerned might not get the benefits of all of the normal income from those bets.

Hon. A. F. Lawrence: This is a difficulty and it is certainly a point of view that should be expressed on behalf of the track owner, I suppose. But the partimutuel machines right now are not there for the benefit of the track, they are not owned—I do not think they are even operated—by the track—

Mr. Nixon: Well, how does the track arrange to—

Hon. A. F. Lawrence: They are operated by the federal Department of Agriculture, that is my understanding.

Mr. Nixon: Is it not true that the tracks take a percentage? What is it, nine per cent?

Hon. A. F. Lawrence: Nine per cent?

Mr. Nixon: I see the Treasurer (Mr. McKeough) nodding.

Hon. A. F. Lawrence: Nine per cent.

Mr. Nixon: Which is simply extracted right off the top of the total handled at the track and it all goes through the machine. Now if the government of Ontario is going to set up a widespread facility, owned, operated and paid for from public funds to in fact increase the handle at the track, it is going to be a very attractive addition at no additional charge whatsoever for the owners of the track.

There are a number of alternatives. Either it could be there will be a diminishing return; or there was a proposal put forward I believe by the present Minister of Transportation and Communications (Mr. MacNaughton) that there would be some other form of ownership. I am not talking about taking it over entirely.

Hon. A. F. Lawrence: No. First of all, it does not really matter where the computer, or whatever the machinery is, is set up; it does not really matter where that is.

Mr. Nixon: All right.

Hon. A. F. Lawrence: It would be just as easy as it is now for the equipment to indicate the bets that are placed at the track versus the bets that are placed elsewhere. Therefore, the tracks could still get exactly the same cut they are getting now. I am not saying they would; I am not saying they need to; I am saying they could.

Mr. Nixon: This is a matter then that is under consideration?

Hon. A. F. Lawrence: Sure it is under consideration. We are considering everything. We will even consider the comments—

Mr. Nixon: No, the government is not considering everything.

Hon. A. F. Lawrence: We will even consider the comments of the hon. member.

Mr. Nixon: I have learned in the past that it does not much matter whether or not the minister considers them. It is too bad to wake up some of his supporters.

Hon. A. F. Lawrence: I do not see any difficulty in that sort of arrangement. There may well be difficulties; that is why we are acting—

Mr. Nixon: Obviously the decision is based on what the province is going to take as its share and what it is prepared to give to the present owners of the tracks.

Hon. A. F. Lawrence: We want to make sure that the smaller tracks somehow benefit out of all this.

Mr. Nixon: Like Windsor and Ottawa?

Hon. A. F. Lawrence: I am thinking of Orono on Friday nights—

Mr. Nixon: Oh, well—

Hon. A. F. Lawrence: That is what I am thinking of.

Mr. R. F. Ruston (Essex-Kent): Dresden.

Hon. A. F. Lawrence: Dresden, sure; even Dresden!

I do not anticipate there will be any difficulties along that line, but there again we want to call in the technical experts that we are calling just to help us with some of these problems. Do not forget at the moment the thing is centralized at the track on the premise that all of the betting is done at the track. That obviously is now a wrong premise. That is the difficulty at the moment.

Mr. Nixon: Can the minister reject out of hand the proposal that came from the member for Riverdale (Mr. J. Renwick)—those people who have a toe in the door now are going to be compensated once this new programme is put into operation?

Hon. A. F. Lawrence: I can certainly say we have given that no consideration.

An hon. member: Not too much!

Hon. A. F. Lawrence: No, no consideration; but on the other hand—

Mr. Nixon: The member for Riverdale may be representing—

Hon. A. F. Lawrence: —by the time the thing comes into effect, they may not be in business.

Mr. Nixon: They are not all going to be in jail, surely? The minister made some interesting comments at a press conference—at least they were reported—that also under consideration was the possibility of expanding tremendously the whole ambit of gambling. It almost sounded as if he was talking about putting slot machines in the post offices.

Hon. A. F. Lawrence: I thought they were already there! I have lost some money there just lately.

No, the press were pretty hard at it to try to get some admittance from me that this could be expanded into something much wider. I hope I very rigorously recoiled in horror at the thought.

Mr. Nixon: It did not sound like a vigorous recoil. I thought the minister sounded pretty good. The Treasurer was drooling again.

Hon. A. F. Lawrence: No, I anticipate—again strictly because of the mechanical difficulties, if nothing else, that would be in the way—that this scheme would cover bets placed against horse races in Ontario. Now if the thing can possibly be widened to include other things, then we will certainly want to hear about it.

On the other hand, we are not going out of our way to ask for people to advise us on that. I think our main concern at the moment is betting on the horses which race in Ontario. If we can cover other things with the same equipment, and by that I mean perhaps horse-racing out of the province, because my assumption is—and it is only an assumption because there is no way of checking it—that there is still an awful lot of

money bet in Ontario on horse-racing out of Ontario. Certainly that is another aspect. If people can advise us on how this can be done we would like to hear about it.

But I had a request today asking if this would include Las Vegas-type gambling operations, would it include the backroom poker game? Bear in mind that the only item that I anticipate this would cover would be the betting sections of The Criminal Code, not the gaming provisions, and the gaming provisions cover that type of operation.

We are certainly not asking that The Criminal Code be amended in any way in respect of the gaming provisions. It is a different matter completely. We are not looking for a Vegas-type operation around here.

Mr. Chairman: Vote 901, the hon. Leader of the Opposition.

Mr. Nixon: Mr. Chairman, that is pretty racy looking literature you are looking at over there.

Hon. A. F. Lawrence: It is a casino!

Mr. Nixon: The last question as far as I am concerned: The minister is talking about gaming provisions and there has been one change that Ontario has already taken advantage of and that is the lotteries. Would it not be reasonable when he is considering this whole new approach to the legal activities and the revenues of the province that the consideration of rather integrating his means of control to include the governance of lotteries, and perhaps even the consideration of including them in his general matter for the benefit of the Treasurer on the basis of simply the extension of revenue?

Hon. A. F. Lawrence: Yes.

Mr. Nixon: The minister is going to include them?

Hon. A. F. Lawrence: Well I would think that perhaps the same administrative setup, at least within the departments concerned, or rather to that department of this government, could handle the same thing that I think has already been anticipated by the transfer of the Ontario Racing Commission to The Department of Financial and Commercial Affairs.

Mr. Chairman: The hon. member for Wentworth.

Mr. I. Deans (Wentworth): Mr. Chairman, I am not completely familiar with how a

betting operation works, but I received a number of letters from the Standard Horse Breeders Association talking about the difficulty that it now has with some of the bets not reaching the track and the fact that this affects the purses.

Hon. A. F. Lawrence: Right!

Mr. Deans: The minister did say that he was not sure what portion of the take the tracks were going to get from that money that was bet outside of the track; right?

Hon. A. F. Lawrence: Right!

Mr. Deans: You did mention it? Okay.

What guarantee is there that there will not be any reduction in the total amount of money available for purse purposes? On the whole thing about whether or not a person makes money betting at the track, I could not care less. But I think a guy who raises a horse for the purpose of running it and does this whether by hobby or by business, ought not to stand to lose in any changeover; that there ought not to be any way in which he will lose in terms of the purses that are available in regard to winners.

What provision are you now incorporating into your changes that will ensure that there will be at least as much, and that additional promotion by the various tracks on particular events will in fact mean larger purses or at least a larger share of the total take going toward purses?

Hon. A. F. Lawrence: What guarantee?

Mr. Deans: Yes.

Hon. A. F. Lawrence: Well, there is no guarantee. No guarantee at all. However, their concern at the moment is to eliminate the present system of offtrack betting which they claim is losing them money.

Mr. Deans: Yes. I agree with that.

Hon. A. F. Lawrence: This is our concern, but as to what guarantee there is, there is not any at the moment. Quite frankly, I am not put out that this discussion is taking place, but I just do point out to the hon. member that it is awfully premature as yet.

There will have to be legislation to cover this whole thing, and the hon. member can only get sensible answers from me or from whoever will be bringing in the legislation at that time once these things have really

been considered in depth—and they have not been as yet.

Our concern of course is that while this is not by any means a move to bail out Mr. Taylor and the Ontario Jockey Club or anything like that, we certainly are concerned that everyone in the horse-racing and horse-breeding business should get his fair shake out of whatever is bet on horse-racing in this province. That is part of the object of the whole thing.

Mr. Deans: I have no particular love for the Jockey Club or for Mr. Taylor, or for that matter for the people who are operating the existing offtrack betting establishments; in fact I am happy to see legislation to eliminate them. I am pleased to see it.

I do know a number of people who own a horse or two horses, particularly in the trotting end of it—

Hon. A. F. Lawrence: Right!

Mr. Deans: —not so much in the thoroughbred end of it. They have a large lot. They keep the horse there. They train it every night; they walk it in the winter. The reason is that they happen to enjoy that as a pleasure for them. In the meantime, it may or may not return them some money on whatever investment there is. I think we have got to be sure that in any changes the minister makes there will not be any diminishing return at that end of it. I do not care if there is a drop in the take in terms of what a person gets back for his bet—

Hon. A. F. Lawrence: Right!

Mr. Deans: That is up to him. I do not care if the Jockey Club makes less money; that does not bother me in the least. I just feel that the individual who provides the entertainment aspect of it—he provides the horse—

Hon. A. F. Lawrence: Right!

Mr. Deans: —the jockey or the rider, and the sulky—surely he has to be protected. He is the bread and butter; the others are living off his back.

Hon. A. F. Lawrence: We agree on that then. The hope of course is that this perhaps would generate more funds that could be put up as purses, which in turn might be able to help the breeding stock, which might

assist everybody—standardbred as well as thoroughbred horse owners.

Mr. Chairman: The hon. member for Niagara Falls.

Mr. G. Bukator (Niagara Falls): I was reading the morning paper and I see a little account here that says:

The provincial Treasurer, Darcy McKeough, said last week that he drools at the revenue possibilities opened by a government-operated system.

Just what amount of money does the Treasurer drool over? What does he expect to get from this if the track were to be governed and run the same as the Liquor Control Board?

Hon. A. F. Lawrence: I can assure the hon. member we really do not know. But knowing the character of the present Treasurer, I can assure the hon. member that he drools over every cent paid.

Hon. W. D. McKeough (Treasurer): Hear, hear—for the people of Ontario!

Mr. Bukator: All I know, Mr. Chairman, is what I read in the papers. I was wondering about the offtrack betting—and my argument has been very sound, and I guess that of the Liberal Party too. We have talked about the government legalizing offtrack betting for many years. The member for High Park (Mr. Shulman) was it?—he is not here in his place tonight—made the same argument that there is such a thing as a Mafia and racketeers making millions from offtrack betting. I do believe the government should legalize it and get the revenue to which the province is entitled rather than put the tracks out of business, and especially those people who provide, as I say, the entertainment and the horses.

I have had many letters too from owners in the riding that I represent. They feel that because of the hardship it creates—there are millions of dollars not getting to the track from these offtrack betting shops—they feel that the government should do something about it.

I was very much encouraged when I read the paper this morning, that the government is going to take a good look at it. But when is this new law going to come into effect? I realize the government must talk with Ottawa, but can it not implement legislation

of its own to get on with the job without the federal government?

Hon. A. F. Lawrence: Believe me, we have looked at it, and we are still looking at it. If we could step in tomorrow, we would do it, but we have found no means of doing it as yet.

Mr. Bukator: Then, if many of the Attorneys General throughout the whole country could not care less, again as the paper stated this morning, does that not hinder this government's progress? We may not have an opportunity to bring the Attorneys General together to get the government to pass the necessary laws. I would think that this minister—

Hon. E. Dunlop (Minister without Portfolio): They can pass them without our advice.

Mr. Bukator: I did not catch that last interjection, but I—

Hon. A. F. Lawrence: I think Mr. Turner indicated, in effect, from the press story I saw today anyway—I have not heard directly from him—that from their point of view at Ottawa they need not wait until they get everybody's concurrence now. That is something for them to decide. I do not know.

They know our position. They have known our position for some time, and certainly we stand ready, willing, and I hope able, at any time to step into the picture if they move out.

Mr. Bukator: I have one more question then. Usually when we do get information from the papers the account is history and many days have passed in many cases. Has the Attorney General been in touch with Mr. Turner directly on this issue? Has he been talking with him? Is there a possibility of a meeting of minds?

Hon. A. F. Lawrence: No; the last time I spoke with him about it was at the Victoria conference. The last time I wrote to him about it was on June 8. I have had no written reply from him since then and I have not spoken to him since the Victoria conference.

Mr. Bukator: It is legislation that has been needed for a long time.

Mr. Chairman: The hon. member for Sandwich-Riverside is attempting to gain the floor.

Mr. F. A. Burr (Sandwich-Riverside): Mr. Chairman, I wrote a letter to the minister some time ago about offtrack betting and he favoured me with a detailed and lengthy reply, but I am a little puzzled about it. The gist of his letter seemed to be that there was not enough evidence to launch a criminal prosecution. In his final paragraph he says:

The police are in possession of all information which is possible, but as I say most of it is of a nature that does not permit its admissibility as evidence to support a criminal prosecution.

This letter was written only on June 29, and yesterday, on July 7, we had a full page in the Toronto Star telling about the case in which the owner of 51 offtrack betting shops was sentenced to nine months in jail and fined \$50,000 for four betting offences. This article is mostly the edited transcripts of the text prepared by the judge, explaining his verdict.

Was the minister not aware that this prosecution was going on? I am a little puzzled.

Hon. A. F. Lawrence: I am not only aware of that prosecution, I am aware of a great many more. I am also aware, of course, that that particular judgement is under appeal now, so that I do not think I should say anything. I would respectfully suggest that I do not think the hon. member should say anything about it either.

But I fail to see what the difficulty of my friend is. I think I assured him—if not I meant to in that letter—that where we can prosecute, we are. If the places are still open, obviously we do not have the evidence or the prosecution has not been successful. There have been a number of these charges that have been dismissed; there have also been a number of the charges which have resulted in convictions. There have been many of them in which we have not been able—by “we” I mean the police—have not been able to obtain the evidence.

It is one thing to know, or think you know, what is going on, and it is another thing to obtain the type of evidence that is admissible in court. I am sure my friend can appreciate that large numbers of patrons of these off-track betting shops are not particularly the type of people—and I do not say that in any disparaging way at all—but they are not the type of people who will necessarily come along and testify for the police in court. It is as simple as that.

Mr. Chairman: Vote 901 carried? The hon. member for Hamilton East.

Mr. R. Gisborn (Hamilton East): I would like to pursue this just a moment, Mr. Chairman. The minister says that maybe, in reference to the conviction in Toronto of these operators of the offtrack betting shops—

Hon. A. F. Lawrence: You mean the Benoit conviction?

Mr. Gisborn: Yes.

Hon. A. F. Lawrence: I am telling my friend now that that is under appeal and therefore it is sub judice.

Mr. Gisborn: It is your opinion that it is sub judice. Would that stop the minister from telling the House in his opinion what the transcript of the conviction was?

Hon. A. F. Lawrence: You mean what the charge was, or what the decision of the judge was?

Mr. Gisborn: What the evidence was that convicted them. The trial has taken place; it is in the transcript. I do not think it would be sub judice to tell the House what the evidence was that convicted them. This is the point in the whole thing.

Hon. A. F. Lawrence: I do not have a transcript of that particular trial, I am sorry. It would take a little while to get it, too. There may be one available but I do not have one here tonight and I fail to see what that would prove, in any event. How would that illuminate our problem? There are many others.

The point at issue in all of these charges usually is that it is a breach of section 177A of The Criminal Code, which is that the allegation is there has been receipt of consideration in respect of accepting a bet. In other words, it is a messenger service for which you receive a consideration. The other charge is the ordinary bookmaking charge.

As I say, I do not think we should discuss the Benoit case because it is now under appeal; but in most of the others, the police have had a great deal of difficulty, as I say, obtaining the necessary evidence because they need the very wholehearted co-operation of the clients, customers or patrons of the operation. That usually is not very readily forthcoming.

Mr. Nixon: Were special instructions sent out to tighten down?

Hon. A. F. Lawrence: Yes.

Mr. Nixon: Mr. Chairman, might we infer—

Hon. A. F. Lawrence: Well by tighten down—I had better be more specific than that: The Metro Toronto Crown attorney suggested to them that they could perhaps attempt a little bit harder than they had been attempting before, because they had been rather frustrated on occasion, I think, in view of the difficulties of the police in getting this evidence. I do not want to indicate here that there is any great police harassment of these places, but it was indicated to them that they should try a little harder in finding the evidence necessary to prosecute.

Mr. Nixon: Mr. Chairman, it appears that this phenomenal growth of offtrack shops has taken place without sufficient supervision from the Attorney General and from the law enforcement agencies. Now it appears that a policy decision has been made that this flower is going to wither—in my view properly so—because an order has gone out and somebody is going to pinch it off at the base.

Hon. A. F. Lawrence: No.

Mr. Nixon: Well when the Attorney General says “tighten down,” I would think that if he were not the only lawyer here prepared to argue this, there would be those who would feel there is something the matter with a level of justice that is applied at some times and not at others.

This has been illegal all along. We have watched these stores open in every blooming town and on most streets. We look at them and say, “What is going on?” All of a sudden, a very important public step having been taken in the statement that was made a couple of days ago, the Attorney General gives the order that “we are going to tighten down on these boys—”

Hon. A. F. Lawrence: No, no!

Mr. Nixon: They are going to be squeezed off the streets: A good thing, but why was this delayed?

Hon. A. F. Lawrence: No, no!

I am sorry, this is not an order of a couple of days ago, this is a suggestion of some time ago that the Crown attorney

should prosecute these operations diligently and certainly seek the appropriate sentence. That is all that any Crown attorney can or should be doing at all times, but certainly that is all they have been doing.

I just point out to my friend that it is a very difficult thing to obtain the necessary evidence on this type of prosecution.

Mr. Chairman: I must point out we have passed the hour for adjournment. I do not like to interrupt the hon. minister but we must rise and adjourn.

Hon. A. F. Lawrence: Well, I think we can probably end the debate on this and just pass the vote, 901.

Mr. Chairman: Shall vote 901 carry? There will be more discussion on 901?

Mr. Gisborn: Yes, Mr. Chairman.

Mr. Chairman: Then I must have a motion to rise and report.

Hon. Mr. Wishart moves the committee of supply rise and report progress and ask for leave to sit again.

Motion agreed to.

The House resumed, Mr. Speaker in the chair.

Mr. Chairman: Mr. Speaker, the committee of supply begs to report progress and asks for leave to sit again.

Report agreed to.

Hon. A. A. Wishart (Minister of Financial and Commercial Affairs): Mr. Speaker, tomorrow we will continue with the estimates of The Department of Justice, and I should indicate to the members of the House that next week I shall move that the House will sit, with the exception of Monday morning, for the full day through Tuesday, Wednesday, Thursday and Friday, and evenings.

Mr. R. F. Nixon (Leader of the Opposition): Wednesday evening?

Hon. Mr. Wishart: Wednesday evening.

An hon. member: Friday evening?

Hon. Mr. Wishart: I did not say Friday evening. We shall see, perhaps before we reach that day, what progress we are making.

Mr. Nixon: We have had eight bills introduced today.

Hon. Mr. Wishart: They may not take long.

Mr. R. Gisborn (Hamilton East): To clarify that, except one day, Monday, we sit the whole day—Tuesday, Wednesday and Thursday. Does that mean 10 o'clock in the morning?

Hon. Mr. Wishart: Ten o'clock in the morning, with the hours from 12 to 2 for

lunch, and then the usual hours of a normal day. Tomorrow, as I said, we will return to the estimates of The Department of Justice.

Hon. Mr. Wishart moves the adjournment of the House.

Motion agreed to.

The House adjourned at 10:35 o'clock, p.m.

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ONTARIO

Legislature of Ontario Debates

OFFICIAL REPORT — DAILY EDITION

Fourth Session of the Twenty-Eighth Legislature

Friday, July 9, 1971

Speaker: Honourable Fred McIntosh Cass, Q.C.

Clerk: Roderick Lewis, Q.C.

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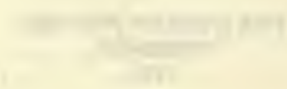
(Daily index of proceedings appears at back of this issue.)

OFFICIAL REPORT - PART EIGHT

House of Commons of the United Kingdom

Friday, July 2, 1971

Speeches: Home Secretary (1.15 p.m.)
Mr. Heath (1.45 p.m.)



LEGISLATIVE ASSEMBLY OF ONTARIO

FRIDAY, JULY 9, 1971

The House met at 10 o'clock, a.m.

Prayers.

Mr. Speaker: Statements by the ministry.

Oral questions.

SITE OF NEW TORONTO AIRPORT

Mr. R. F. Nixon (Leader of the Opposition): Mr. Speaker, can the Minister of Transportation and Communications tell the House anything further about his negotiations, or the negotiations which I would understand that he is leading with this government and the government of Canada, pertaining to the new international airport at Toronto? Can he explain the apparent differences in approach in the public statements of members of this government with the statements made by the Prime Minister of Canada as to the reasons for the delay?

Hon. C. S. MacNaughton (Minister of Transportation and Communications): Mr. Speaker, I am one who finds it difficult to understand the attitude—I say this with respect—of the federal government. I can only repeat what I think has been said in this House on previous occasions.

We entered into correspondence with the federal Minister of Transport by letter on April 28. I had the occasion to visit him in Ottawa on another matter; the airport situation was referred to very briefly at that time. The letter that we addressed to the federal Minister of Transport—and I believe at the same time to the Prime Minister of Canada—set out the positions the government of Ontario wanted resolved.

To this date, as far as I am concerned, we have had no reply.

On May 3 when we were down, as I have said visiting with him and the other provincial ministers on other matters, it was briefly touched on at the luncheon. At that time it was indicated to me he would be in touch with us within two weeks—he would be in Toronto to discuss the matter. There has been no follow-up on that.

While we have stated certain positions that the government of Ontario wishes clarified, at this point in time we are no further along the road than we were when the letter was written. Simply, Mr. Speaker, I am not in a position to inform the House beyond that, because it has not been a matter of two-way communication since that time.

Mr. Nixon: A supplementary: Does the minister not think the matter is of such pressing importance that he should consider going to Ottawa or inviting the federal Minister of Transport to Toronto so that the problem with two-way communication can be solved? And second—go ahead.

Hon. Mr. MacNaughton: I think, with reference to two-way communication, one side of the two-way communication process has been undertaken and implemented, and I do not know how much further it should be pressed from this end. I think the government of Ontario is entitled to a response of some kind or another from Ottawa and at this point in time it has not been forthcoming. It really takes two to communicate, it takes two to negotiate; it takes two to do all these things.

We have stated, as I have mentioned and I repeat with some emphasis, these positions that we wish clarified before any further discussions take place. Now they may still be deliberating on these matters. We do read from time to time in that column in what is often alleged to be Ontario's greatest newspaper—where they pick out the highlights of the question period in Ottawa—we read questions and answers by the federal Minister of Transport.

I am not being critical of them—they may have their own good reasons—but his statements there are not totally in concert with the positions we have advanced and asked for clarification on. Until we hear officially, I really would not know what more to do about it, Mr. Chairman.

Mr. Nixon: A further supplementary, Mr. Speaker: Would the minister not agree that the communication is really nonexistent in

view of the statement made by the Prime Minister in Aurora that the holdup is a provincial responsibility? I cannot quote his words, but I read the statement in the newspaper indicating that the Prime Minister said at a public meeting that Ontario could not make up its mind where it wanted the airport and that was the holdup.

Would the minister not agree that if communications have disintegrated to that extent, somebody is going to have to take the initiative to re-establish them on a meaningful basis? Why should it not be this minister?

Mr. E. Sargent (Grey-Bruce): Hear, hear!

Hon. Mr. MacNaughton: I have some knowledge of what the Prime Minister of Canada said in Aurora. It bears no relationship to the form of our stated positions earlier and I frankly admit that does not amount to any form of communication at all. That public type of comment is not related to the submissions that were made.

Mr. Sargent: Why does the minister not admit he is dragging his feet?

Mr. W. Hodgson (York North): The fact is he did not say that in Aurora.

Mr. V. M. Singer (Downsview): He said enough to get rid of the member.

Mr. S. Lewis (Scarborough West): Everybody was at the member's meeting.

Mr. W. Hodgson: If I go, the member for Downsview will go with me.

Mr. Singer: The member is through. He need not worry about me, but worry about himself.

Mr. W. Hodgson: A lot of people worry about the member for Downsview.

Mr. Nixon: Come on—cut this off!

Hon. Mr. MacNaughton: I suppose I am at liberty to say what concerns the government of Ontario.

Mr. Lewis: We are nipping at the heels of both the minister and the Leader of the Opposition.

Hon. Mr. MacNaughton: There is no reasonable degree of confidence to that that I can think of. We are not on personal, confidential terms, I do not believe.

I would hope the Leader of the Opposition would agree with us that that is one of

the matters that concern the government of Ontario and it would apply to any site; it does not matter what the site is.

We are very much interested in determining how the federal government proposes to share the infrastructure cost, and we set this out in some detail. It is going to be expensive—whichever location is chosen, it is going to be expensive to build access roads to and from the international airport to Malton and to the city. The matter of water, sewage, all the other infrastructure provisions that are involved are very costly.

Our particular concern at that time, irrespective of the choice of location, was to have some indication from the federal government as to how they propose to share these costs, and I would think the Leader of the Opposition would share the government's concern in that respect.

Hon. A. Grossman (Minister of Trade and Development): And that will allow it to be an international airport in fact.

Hon. Mr. MacNaughton: Any decision with respect to the province's position on an international airport per se, depends on the extent—

Mr. Singer: Have another convention for de Havilland.

Hon. Mr. MacNaughton: —to which these costs will be shared. I would not want to see a repetition of the Ste. Scholastique situation that happened in Quebec in this particular situation.

I think we have a right to know how this is going to be done before we make a decision with respect to an international airport, regardless of the location. Until that is forthcoming, in terms that are satisfactory and can be accepted by the provincial government, I am prepared to suggest to you, Mr. Speaker, that it is providing a rather major roadblock in the communication process, and until we learn that I would suggest it is difficult to proceed with any more discussions or conversations.

Mr. Nixon: Mr. Speaker, a further supplementary: Would the minister not agree that his comments are very similar to a series of comments he made about a year ago in his former capacity as Treasurer in dealing with the Minister of Finance for Canada—I do not think either man came out of that with his armour any shinier than when he went in—that there may be entire fault at the federal level or it may be shared fault.

Mr. Speaker, would the minister not agree that someone in this administration might very well make a public offer of a meeting and force such a meeting to take place so that we can establish some kind of communication that is going to be productive instead of this sniping from Ottawa and Queen's Park?

Mr. D. C. MacDonald (York South): It is tough to push two inert bodies at the same time.

Hon. Mr. MacNaughton: This appears to me to be getting more of a debate, Mr. Speaker, than a question period. I think I have answered the Leader of the Opposition's question in specific terms.

Mr. Nixon: But the minister is not going to do anything.

Hon. Mr. MacNaughton: I would wonder how much further we can go. We have asked for—

Mr. Nixon: Convene a meeting.

Hon. A. F. Lawrence (Minister of Justice): The last minister he said that to, the answer really embarrassed the hon. member.

Mr. Nixon: No!

Hon. A. F. Lawrence: I would not push that any further if I were him.

Hon. Mr. MacNaughton: I would not push it any further. We have made the overtures and I point out I was told on May 3 that the federal Minister of Transport would be in contact for the meeting that the hon. member suggests is necessary—and with which I agree—but I took him at his word and he has not responded. There may be reasons that are very valid, in his opinion, why that has not taken place, but we have made the overtures. I think the next move is up to the federal government, quite frankly.

Mr. W. Newman (Ontario South): Supplementary!

Mr. Speaker: A supplementary?

Mr. W. Newman: A supplementary question: I would like to ask the Minister of Transportation and Communications—I am somewhat confused on this matter—is it not the federal government's decision to make a final decision on this airport, and have we got the right as a province to tell them what they have to do?

Hon. Mr. MacNaughton: I think in response to that the final element of choice rests with the federal government. I would say this. They have been, up to a point in time—at least prior to April 28 they had communicated with us to indicate several choices of location. It is reasonably well known where these choices of location are. We felt the final determination was theirs; without being specific I think they can determine the waiting factors just as readily as we can and make the choice. They have not indicated to us that any selection we might make would be concurred in by them in any case. That is where the matter stands, I would have to say through you to the hon. members.

Mr. Sargent: The minister is making them starve to death. If he had to work for a living—

Mr. Lewis: The minister should not react to it.

Hon. Mr. MacNaughton: No, I think we will just wait. That is where the matter stands. The government of Ontario is prepared to be as co-operative as it is possible to be. That has been the attitude until now in meetings prior to the period of time that I mentioned, and until then we thought we were on a good communication wicket—

Mr. Lewis: Wicket?

Hon. Mr. MacNaughton: —that will do—

Mr. Singer: He is an old cricket player!

Hon. Mr. MacNaughton: —sticky as it may be.

Mr. Sargent: The minister should sit down before he falls down.

Hon. Mr. MacNaughton: I do not know how I can pursue this any further, really, Mr. Speaker. I think I have stated the relevant facts as they exist; we are ready to sit down with the Minister of Transport and his people any time and he knows it.

Mr. Speaker: The member for Scarborough West.

AGENDA FOR MEETING BETWEEN TREASURER, FINANCE MINISTER

Mr. Lewis: Initially, Mr. Speaker, a question of the provincial Treasurer: Has an agenda been decided for the meeting of the provincial Treasurer and the Minister of

Finance later this month? If so, what items are to be covered and will Ontario be taking any positions in advance which might be shared with this Legislature which will probably be sitting at the time of the meeting?

Hon. W. D. McKeough (Treasurer): The meetings are on Monday and Tuesday. The agenda has been suggested by Mr. Benson and has not yet been agreed on, but I assume that it will be. It consists of tax reform; his recent budget; the elements of tax reform in it; fiscal arrangements; cost sharing programmes; the state of the economy generally. There is one other item which probably fits into those categories.

I will probably be giving a statement, but I think that it would not deviate substantially from the statement which I gave to the House following the budget, other than I must say we are becoming increasingly impressed with the complexity of the bill itself, and will be suggesting that it should not be proceeded with just to meet a January 1, 1972 deadline.

The elements of tax reform, if you will, which are the tax reductions in effect now, should definitely be proceeded with—the removal of the surtaxes, the progressive changes in the corporate tax, the excise tax changes. But within the tax bill, as members know, there are 600 pages, and I must say we are impressed with some of the arguments we are hearing. We had better all take a good look at them, both the private and the public sector, before they are proceeded with.

Conscious of the fact that people in the private sector, at any rate, take holidays during July and August, I think we will be making that point and probably not any others. I will arrange to have whatever we do say released here at the same time.

Mr. Lewis: By the way of supplementary, there are two points that occur to me. The minister's wholesome applause immediately after the bill was tabled in the federal House of Commons has then been moderated somewhat on second reading. He is now wondering whether they should proceed on the date as arranged—it is not unlike what happened with the white paper. I—

Hon. Mr. McKeough: I would think that my applause might have been described more as temperate or moderate, rather than as wholesome.

Mr. MacDonald: Yes, when we elicited the temperate response in the qualifications!

Hon. Mr. McKeough: I am substantially saying what I said then; that there are a great number of intricate sections of the bill and the other unknown—and the other thing we will be saying—is that it is going to be at least a month before we have run the revenue projections through the computer, through GITAN, to establish what it means to Ontario. It will be at least a month anyway.

Mr. Nixon: What is GITAN?

Hon. Mr. McKeough: General income tax analysis—something.

Mr. Nixon: Is that the little man who works on the top floor of the minister's building?

Hon. A. F. Lawrence: In the basement.

Mr. Lewis: One other supplementary, Mr. Speaker, the last for me. Do I take it, if cost-sharing is officially on the agenda, that Ontario's position on opting out will be re-confirmed at the meeting? Will we put the opting-out position again?

Hon. Mr. McKeough: Within the ambit of The Fiscal Arrangements Act there are a number of shared-cost programmes which will be discussed—the health programmes, the postsecondary university programmes, the Canada Assistance Plan—again with this qualification, that until we know what we are talking about in terms of tax points, it will be a little difficult other than to simply repeat what he have said in the budget.

Mr. Lewis: But we will ask for those tax points?

Mr. MacDonald: A supplementary question, Mr. Speaker: May I ask the provincial Treasurer if the statement of the Minister of Mines and Northern Affairs (Mr. Bernier), given some 10 days or so ago in Thunder Bay—to the effect that the federal depletion allowances “could turn out to be too harsh,” is another instance of the government's re-assessment and backtracking from its initial, rather “wholesome” support of the tax proposals?

Hon. Mr. McKeough: Who said this?

Mr. MacDonald: The Minister of Mines and Northern Affairs.

Mr. Lewis: He makes his own pronouncements in the northwest.

Hon. Mr. McKeough: I have not had a chance to study what my colleague said, and I would not want to comment to the House—

Mr. MacDonald: Is that an indication of the government reaction?

Hon. Mr. McKeough: I would think it would be premature for the government to be reacting in that area as yet.

Mr. MacDonald: Would the Treasurer consider it to be premature for the Minister of Mines and Northern Affairs to be reacting?

Mr. Speaker: That oral question is quite out of order.

The member for Scarborough West.

Mr. Lewis: Not at all!

Mr. MacDonald: Mr. Speaker, after sitting and listening to about 15 questions this morning, I think you might take a second look at what is out of order.

Mr. Speaker: The Speaker is always being advised by the member for York South and he is glad to have his advice. The member for Scarborough West has the floor.

Mr. MacDonald: Mr. Speaker, as long as the discrepancies are as obvious as they are, I shall continue to advise you; I am getting a little weary of this.

Mr. Speaker: The member for Scarborough West has the floor to continue his questions.

Mr. R. F. Ruston (Essex-Kent): The hon. member is not the leader now.

Mr. MacDonald: It matters not what I am—a member or the leader.

DOMINION GLASS STRIKE

Mr. Lewis: Mr. Speaker, a question of the Minister of Labour: Has the Minister of Labour been involved in the Dominion Glass strike in Bramalea which is now resulting in unhappy incidents on the picket line and arrests? This seems to be a bit of a pattern latterly, Mr. Speaker. What is the minister's department doing about intervention in these strikes?

Mr. S. J. Randall (Don Mills): Keeping the NDP out!

Hon. G. Carton (Minister of Labour): Mr. Speaker, my department has been involved directly with the mediation services in this connection. They met last week, particularly with the group from Bramalea.

Mr. I. Deans (Wentworth): A supplementary question, Mr. Speaker: Has the minister investigated the fact that in the Dominion Glass strike, which is also taking place in the city of Hamilton, the unrest on the picket line is obvious there as well as Bramalea; and does he not consider that maybe it is a policy of the company to promote this kind of unrest?

Hon. Mr. Carton: I cannot answer that, Mr. Speaker, but for the member's information I think the same thing is occurring in Montreal at their plant too, is it not?

Mr. Deans: By way of another supplementary: Would the minister then ask his mediation department to look into this particular problem to see whether or not there is a relationship between the company's attitude toward its employees and the fact that the employees are being forced to take action other than peace action?

Mr. Lewis: By way of supplementary, before we get into the Oshawa Co-Op, which I can see—

Mr. Speaker: The member for Downsview was on his feet for a supplementary.

Mr. Singer: Mr. Speaker, by way of supplementary, while the minister is investigating the strike that was just talked about, would he look as well into the problem of the strike at the Co-Op at Oshawa and the involvement of one Pilkey, who is complaining that labour just does not understand the problems of management?

Hon. E. A. Winkler (Minister of Revenue): Private enterprise!

Hon. Mr. Carton: Mr. Speaker, my services have not been requested there.

Mr. Speaker: The member for Scarborough West.

Mr. Nixon: Nobody said that he cannot handle it.

Mr. MacDonald: Some management can handle it without help.

Mr. R. Gisborn (Hamilton East): They opened their books.

PLUM HOLLOW CHEESE FACTORY

Mr. Lewis: A question, Mr. Speaker, of the Minister of Agriculture and Food.

Does the Minister of Agriculture and Food agree with Mr. Lorne Hurd, the general manager of the Ontario Milk Marketing Board, as quoted in a major Globe and Mail story on the Plum Hollow cheese factory situation, when he says:

Small plants like Plum Hollow are not good business any more. They are outdated, their equipment is usually antiquated and they are just not viable. The only thing they own that is negotiable is the milk quota, and that is something we have created for them. Before we set up the quota system, plants like Plum Hollow had nothing that the big processors were interested in.

Does he view this as a positive attitude on the part of the Ontario Milk Marketing Board?

Hon. W. A. Stewart (Minister of Agriculture and Food): Mr. Speaker, this is an opinion expressed by the general manager of the Milk Marketing Board. That is his opinion; he is not employed by us. It is an opinion which he has expressed which does not necessarily reflect the opinions of the members of the board, of the Ontario Department of Agriculture and Food, nor its minister.

I would say, however, that a year or more ago some of the smaller factories were in very great difficulty, caught between the high price they were paying for the milk as required by the Milk Marketing Board—which is certainly trying to get as much money as it can for the producers of Ontario—and the price that was set by the Canada Dairy Commission for cheese. They were caught in that squeeze.

However, with the enormous increase in fluid milk use in this country and with the lessening amount of industrial milk available for the plant supply quota, many of the smaller factories now find themselves in the position—in fact this applies to the larger factories as well—of being able to sell all the cheddar cheese they can produce. But their plant supply quota has been cut back to rationalize the amount of industrial milk that is available to them. This is why Plum Hollow finds itself in the unfortunate position which it does.

Quite frankly, I think there are opportunities here for the Milk Marketing Board to act, and they are considering these actions whereby they may exclude milk used for cheddar cheese production the same as they do milk used for colby and brick or specialty

cheese production, from the application of plant supply quotas. This would mean that milk would be available for cheddar cheese production the same as it is available outside of quota for the other two products. I think this was probably a reasonable way to approach it.

But I would say in defence of the Milk Marketing Board's plant supply quota system that if they did not have it there would be little opportunity for the smaller plants to compete with the larger plants because of their ability to diversify, to make cheese today and powder and butter tomorrow. This is the limiting factor that the smaller factories were up against.

Mr. Lewis: By way of supplementary: Appreciating what the minister has said about what the OMMB might do, does he not think there comes a point of intervention? How many small cheese factories will go down the drain before the OMMB decides to make a variation in the supply, or where they use their supply?

Hon. Mr. Stewart: Mr. Speaker, down the drain can hardly be described as a financial disaster for those who own the plants. For instance, I know of one factory that closed up quite recently and sold its quota and plant facilities for \$180 a share. That can hardly be described as a disaster, when those shares cost \$10 a piece to start with a few years ago.

These plant supply quotas are worth a very great deal of money today to those who have the ability to diversify and who are most anxious to keep the high cost capital equipment they have running at full pace.

Few if any of these smaller factories have, as my friends suggest, gone down the drain, Mr. Speaker. There have been some over a great many years; as a matter of fact, by comparison, far more cheese factories went out of business in the last 10 or 15 years than in the last year or so. There is no comparison whatsoever with the number. It is a gradual process of the evolution of the dairy industry in this province, which is vastly exceeded in the Province of Quebec, where I believe four plants can handle virtually 70 per cent of all the industrial milk produced in the Province of Quebec. There is no comparison whatever between what is happening there and what is happening here.

Mr. Speaker: The hon. member for Middlesex South has a supplementary?

Mr. K. C. Bolton (Middlesex South): I would like to ask the minister whether he has communicated to the Plum Hollow cheese factory the news that there may be some relief in sight for them, in view of the fact that many of them are planning to go out of the milk business completely within the next few weeks?

Has any date been set? Has any communication been given to the Plum Hollow people? Has any date been set for any revision of the plan?

Hon. Mr. Stewart: I have no authority to make such a statement whatever. I said, as my hon. friend may recall me saying a moment ago, that the matter is under active consideration by the Milk Marketing Board. And I know the information has been conveyed by the hon. member for Leeds (Mr. Auld) to the Plum Hollow board of directors that the matter is under active consideration.

I do not know what action the Milk Marketing Board will take, but I do know it is considering this possibility, and I hope that it may work out to the advantage of all concerned.

I would point out, Mr. Speaker, with respect—and I realize I am taking some time here—that if this is done, there will be many plants which manufacture powder and butter today under the plant supply quota under which cheddar cheese is made, that will then be saying, they are being denied this amount of milk that is going outside of quota. But I offset that argument by suggesting, as I did to the national dairy commission as late as Tuesday of this week and to the federal Minister of Agriculture, in my opinion when there is a prospect of having 150 million pounds of surplus powder in Canada this year, we might be well advised to direct more milk into cheddar cheese production because it is readily salable on the Canadian market, and in fact on the British market without any degree of subsidy whatever. In my opinion this is the proper course to take.

Mr. Speaker: The member for Scarborough West? Then we have some answers which I think should be dealt with. Does the provincial Treasurer have his answer today?

LOAN TO MUSEUM AND ART GALLERY

Hon. Mr. McKeough: Mr. Speaker, I was asked last week I think, or this week on second reading of a bill, the details of the amount of money which was being made

available to both the art gallery and the museum. I think the question was by the hon. member for Peterborough (Mr. Pitman). It was by a member of the New Democratic Party.

The amount which will be loaned, in each case, happens to be \$12 million. The loan is phased over a number of years, at the rate of \$2.5 million per year, although it varies between the two institutions. It is a phased project in both cases. The amount will be loaned for 30 years; so in other words we will be paying back our share over a 30-year period.

Someone asked the rate of interest, which is currently 7.5 per cent.

Mr. Speaker: The Minister of Energy and Resources Management also has the answer to what should be an urgent question.

CONTROL OF EMISSIONS FROM DOME PETE PLANT

Hon. G. A. Kerr (Minister of Energy and Resources Management): Mr. Speaker, the hon. member for Sarnia (Mr. Bullbrook) asked me a question earlier this week regarding Dome Petroleum and certain emissions from that plant.

Dome Petroleum, apparently, has experienced two distinct problems, excessive smoke from their flare and odours from the storage of sour condensate.

The installation of a steam plant to reduce smoke from the flare would in all likelihood render the total operation uneconomic and force a shutdown of the operation. The company has retained a consultant to design a system to minimize flaring incidents.

At the present time, the company in manually diverting excess material to storage caverns. The company, as an interim measure, will utilize floating plastic disks to minimize problems from the storage tank. Construction of a floating roof storage tank has been delayed and is now scheduled for completion this fall. It is my intention to place the company under a ministerial order.

Mr. Speaker: The Attorney General has answers to some questions.

REASONS FOR SEARCH WARRANTS

Hon. A. F. Lawrence: Mr. Speaker, I have five of them, and I do not want to take them all up at once.

On July 5, the hon. member for Scarborough West requested I look into the matter of police entrance into the home of Mr. Ivan Hillier in Sarnia on Wednesday, June 23.

I am advised that on that date three members of the Sarnia detachment of the RCMP and a Sarnia city police detective, but no OPP, searched the home of one Ivan Hillier in Sarnia for narcotics. They conducted the search under the authority of a search warrant and explained the purpose of the search to Mrs. Hillier who was present with her daughter at that time. Mrs. Hillier, I am told, expressed her satisfaction with the reasons for and the authority for the search.

A seizure was made by the RCMP of a pipe of the type used for smoking hashish and the Sarnia city police detective also took possession of some other goods found in the house, which were suspected of being stolen and knowledge of which was denied by the occupant. Investigation is being conducted by the RCMP respecting the narcotic seizure, and by the Sarnia city police respecting the suspected stolen goods.

Mr. Speaker: A supplementary.

Mr. Lewis: May I ask, by way of supplementary: No charge has been laid, I take it?

Hon. A. F. Lawrence: Not to my knowledge, but this reply has been prepared and made ready for answering for a couple of days, so—but not to my knowledge.

Mr. J. Renwick (Riverdale): A supplementary question: Would the minister explain the nature of the search warrant? Was it a search warrant for the purpose of entering those specific premises or was it a writ of assistance?

Hon. A. F. Lawrence: My understanding is that it was not a writ of assistance.

Mr. Singer: By way of supplementary, could the minister explain why, if the police seized a pipe of the type that may be used for smoking hashish, at one point in his statement he later referred to the phrase, "seizure of narcotics."

Hon. A. F. Lawrence: No, I said respecting the narcotic seizure, and by that I meant the seizure under The Narcotics Act.

Mr. Singer: Were you referring then, at that point, to the seizure of the pipe of the type that may be used?

Hon. A. F. Lawrence: Yes.

Mr. Singer: There were no narcotics seized?

Hon. A. F. Lawrence: Not to my knowledge.

Mr. Lewis: So, by way of supplementary, all that was taken from the home by the RCMP, using this warrant to search, was the pipe, and the Sarnia city police are purely looking into an alleged theft?

Hon. A. F. Lawrence: That is my understanding.

Mr. Speaker: The minister has further answers.

COMMENTS BY TAXING OFFICER IN ONTARIO REPORTS

Hon. A. F. Lawrence: Yes, sir.

Some time ago the member for Kitchener (Mr. Breithaupt) asked me the question:

Is the Attorney General aware of the comments of the taxing officer, Mr. McBride, at page 141 of the current Ontario Reports, whereby he refers to the "legalized larceny which has been practised on litigants for many years"? He further states that, "the special examiners who are officers of the Supreme Court of Ontario have been mocking the tariff provision regularly for years."

It is rather a long question.

Sir I am aware and have been aware, of course, of the comments of Master W. C. McBride concerning charges made by special examiners in this province. I think I should point out to the House that in addition to every local registrar, deputy registrar and clerk of the county court, who is ex officio a special examiner for the county for which he is appointed, the judges of the Supreme Court have appointed special examiners in Toronto, in Hamilton, in Sudbury, in Windsor, in Timmins, in Ottawa and in Thunder Bay.

The fees payable to special examiners are set out in item 10 of tariff B of the rules of practice and procedure of the Supreme Court. Examinations are reported by county court reporters and judges' secretaries and employees in the offices of the county court clerk and by freelance reporters who are retained by the special examiners appointed by the Supreme Court judges.

There has certainly been some confusion concerning the fees charged. I am having the whole question of special examiners, in-

sofar as appointments, fees charged and other such matters are concerned, considered by the Law Reform Commission which is currently engaged in an investigation into all aspects of the administration of Ontario courts.

Mr. Singer: Mr. Speaker, by way of supplementary, is the Attorney General not at all concerned about the very great shortage in supply of special examiners? Would it not occur to him that this is the reason why Mr. Master McBride might be moved to make such a judgement?

Hon. A. F. Lawrence: Yes, and yes.

Mr. Singer: Yes and yes?

Mr. Speaker: Would the minister like to give the answer to a further question?

WRECKED CAR HAULAGE MONOPOLY

Hon. A. F. Lawrence: Shall I continue? On June 28, the hon. member for Essex-Kent asked me the following question:

Is the Attorney General aware that the provincial police in some areas of the province have only one wrecking company haul all cars away from accidents instead of letting other companies share in the business?

Sir, I have made full inquiries into this question and I am advised by my officials that over the years there have been many complaints of this kind. They were quite common at one time with the result that every superintendent and every detachment commander, and indeed, every constable on traffic duty, has been instructed to be extremely careful to avoid any such situation.

For the information of the House, sir, may I quote from the standing orders of the Ontario Provincial Police. Under the heading "Towing Trucks and Garage Help," these are the instructions to the police.

Arrangements for the towing of wrecked cars or otherwise are to be left entirely to the choice of the owner, driver or passenger of the car, if at all possible, except when being held by the police as evidence for the coroner's or magistrate's court. Under no circumstances is any particular garage to be favoured. When seizing a motor car, try to place it in the nearest suitable garage so as to save expense.

The practice, sir, of the provincial police is to keep a list of those garages which are available for towing work, and where the car

owner does not make a specific request the calls are given out in rotation.

I can assure the hon. members that I am quite concerned about this matter and if any hon. member has any indication of any favouritism being played by the provincial police in this matter, I really sincerely desire that they give me that information.

Mr. D. M. Deacon (York Centre): A supplementary to that: Would the minister consider asking the police to keep a record of calls, who received calls, as part of that responsibility?

Hon. A. F. Lawrence: I believe in respect to car seizures and in respect of these matters I am sure there must be a record kept. I have not looked into that aspect of it but I am sure records are kept right now.

Mr. Speaker: The minister has a final answer, I believe.

Hon. A. F. Lawrence: If you still want them, sir, I have a couple of them yet.

Mr. Speaker: I think we should clear the deck.

WEAPONS LICENCES TO PERSONS WITH RECORDS

Hon. A. F. Lawrence: You do? All right, full steam ahead.

On May 14 the hon. member for High Park (Mr. Shulman), who is not in his place, asked the following question:

Has the department done a study to determine how many of the 15,000 persons in Ontario who are licensed to carry concealed weapons have criminal records?

Under the present system for dealing with these applications for permits to carry a restricted firearm, there is very little chance now that anyone who has a criminal record might be granted a permit to carry a restricted firearm. Upon receiving an application for such a permit, the background of the applicant is checked to ascertain if he has a previous criminal record.

I would add that each year when permits to carry are forwarded to the registrar's office for renewal, a most thorough check is made to assure that the applicant has not been involved in any misdemeanour during the past year that he held a permit.

The figure of 15,000 persons that were licensed in 1969 is an inflated figure today.

That figure has now been considerably reduced by the more stringent policy and I think, sir, those statistics will reveal themselves in the next release from the Ontario Provincial Police.

NIAGARA REGIONAL POLICE EMERGENCY TASK FORCE

Hon. A. F. Lawrence: The final answer that I have today sir, is in answer to a question asked—a number of questions asked—by the hon. member for Scarborough West on June 24 dealing primarily with the question: Is the Attorney General aware of and has he been involved in the Niagara Regional Police Force's emergency task force which is training in the peninsula?

I have looked into the matter of the emergency task force training which is being provided to members of the Niagara Regional Police Force, and certainly they are being trained in aspects of crowd control. This training is being conducted in line with procedures which have been established and approved at the Ontario Police College and also by the Ontario Provincial Police. Equipment being used is that which is approved for use by police forces in Ontario in accordance with The Police Act and the regulations under that Act.

It is my opinion that it is desirable that members of our police forces be thoroughly trained in approved procedures for crowd control in preference to permitting untrained men to attempt to deal with special situations which do or might arise in the handling of crowds.

Mr. Speaker: The member for Grey-Bruce.

Hon. A. F. Lawrence: That is it for today.

Mr. Sargent: Mr. Speaker, a question of the Attorney General, but before I put it, I would like to say to the House leader that I want to thank the Premier (Mr. Davis) for the invitation to Talisman today. I cannot make it, but I want government members to see Highway 10 on the way up there.

Mr. Nixon: They are all going to fly up in the Minister of Lands and Forests' airplane.

Mr. Sargent: And we would also like to take a rain check so that when we have our convention we get the same treatment, the same "no charge" that Talisman is giving the government.

Hon. A. F. Lawrence: It might be good for the member to see a good hotel.

Mr. Sargent: And see the \$3 million highway the government gave them free.

Mr. Speaker: What is the member's question?

WOMAN IN JAIL FOR NONPAYMENT OF FINE

Mr. Sargent: A question of the Attorney General, Mr. Speaker: I would ask the Attorney General if we are reverting to the debtors' prison that we read about years ago in the old country in view of the fact that yesterday a lady from Wiarton was arrested on a warrant for a careless driving charge, and because she did not have \$121 to pay her fine she is being transferred to serve 30 days in Toronto in the Vanier Institute. The fact is that in the tour of the Owen Sound jail with the hon. Minister of Correctional Services (Mr. Apps) we talked to this lady and it was a shocking situation. She was an attractive, well-dressed lady being sent away for 30 days because she could not raise—

Mr. L. C. Henderson (Lambton): The member should pay the fine.

Mr. Sargent: I want to ask the minister then, Mr. Speaker—

Mr. Speaker: The member has asked the question; he will allow the minister to answer.

Mr. Sargent: Mr. Speaker, a supplementary.

Mr. Speaker: No. The minister will now answer the question. The member will yield the floor to the minister; he has asked his question.

Mr. Sargent: I am sure I will have a supplementary.

Hon. Mr. Grossman: This is incredible.

Hon. A. F. Lawrence: She was well dressed?

Mr. Speaker: I am sure if the hon. member is genuinely seeking information and wanted some information on the matter, he at least would have given me the common courtesy of advising me in advance so that I could have done some preparation work in respect of this. We have thousands of charges being laid every day, obviously, and I am sure he does not believe that I am that conversant with my department as yet that I will have an intimate background of every one of them.

I would be glad to take the question as notice. I would be glad to find out all of the information I can and advise the hon. member and the House at a later date if he would please send over to me the specifics.

Mr. Sargent: Supplementary, Mr. Speaker.

Mr. Speaker: No, the oral question period has now expired. As a matter of fact, it had expired when I allowed the hon. member to ask his question, but—

Mr. Sargent: On a point of order!

Mr. MacDonald: Shame!

Mr. Speaker: —I felt that I would not—

Mr. Sargent: A point of order!

Mr. Speaker: The Speaker is on his feet. The member will resume his seat.

I felt that I might not have an easy weekend if I did not allow the hon. member to get his point in.

Now the hon. member has a point of order?

Mr. MacDonald: Strange way!

Mr. Sargent: My point of order is what is happening to this House? All week we have been sitting in an incredible situation, in the affairs of the estimates of The—

An hon. member: We know that!

Mr. Sargent: —Department of Trade and Development.

Mr. J. E. Stokes (Thunder Bay): It is incredible.

Mr. Sargent: The press has not covered one part of the whole week's sitting. In other words, how are the people of Ontario to know—

Mr. Speaker: This is not a point of order as far as the operation of this House is concerned. I would suggest the member might take it up with the press gallery who operate here.

Petitions.

Interjections by hon. members.

Mr. Speaker: Presenting reports.

Hon. Mr. Kerr: Mr. Speaker, I wish to table the final report of the governments of Ontario and Quebec on water pollution in the Ottawa River. The report is also being tabled

this morning in the Quebec Legislature by my counterpart in that province, the hon. Victor Goldbloom.

The hon. members will recall that an interprovincial investigation on pollution in the Ottawa River was ordered by Premiers Robarts and Johnson in 1967. An interim report on the progress of this study was issued two years ago. The study which is being presented today has attempted to establish water quality standards for the river, to define the sources of pollution, to evaluate water use patterns and to determine what can be done to treat and control wastes.

The report recommends that waste discharges be restricted to achieve the desired water quality standards. It calls for submission to the Ontario Water Resources Commission and the Quebec Water Board by the end of this year of specific remedial measures to achieve compliance with these standards; and the governments of Ontario and Quebec and the federal government have agreed to each appoint three members to a special committee which will ensure that the recommendations of this report are carried out.

The committee will review the cost estimates contained in the report and prepare recommendations for the three governments concerned by September 1, next.

I regard this, Mr. Speaker, as a precedent-setting experiment in mutual co-operation between the two provinces.

Mr. Speaker: Motions.

Hon. Mr. Wishart moves that commencing on Tuesday next, the House will meet each day, including Wednesday, at 10 a.m. and will rise for the luncheon interval from 12 noon until 2 p.m.; and that in the period of each day from 10 a.m. until 12 noon the House will deal with orders of the day, the routine proceedings being taken up as usual at 2 p.m.

Mr. Nixon: There are two points. Has the House Leader considered Wednesday evening—that is not so important—and second, is he going to consider some means whereby we can order the business more to accommodate bills here at a time when the committees are not meeting?

Hon. A. A. Wishart (Minister of Financial and Commercial Affairs): Mr. Speaker, on the first point, we would sit evenings as now, that is, on Monday, Tuesday, Thursday. I would hope that the House might perhaps

do that also on Wednesday. I will confirm that on Monday.

On the other point, which I said yesterday was under consideration, arranging the business so that we can have more attendance in the House so as not to interfere with committees and vice versa, perhaps I will be able to mention something on that on Monday too.

I realize the difficulty in that latter, but I think, as I said yesterday, we are operating under the rules of the House. I know it is difficult for parties to allocate their membership to attend to business in the House and committee, but it is something that we cannot altogether avoid, no matter how we arrange it. There is only one committee sitting, and I think we must do our best to allocate the membership to attend to those matters which the House has to get on with. I shall do my best to make some arrangement to facilitate the arrangements.

Mr. Lewis: Mr. Speaker, I have one or two observations to make. May I preface them also by asking a question? Why is the House leader doing this? What is the purpose?

Mr. H. Peacock (Windsor West): There is no reason.

Hon. Mr. Wishart: Mr. Speaker, it has always been my impression, in the years I have been in the House, that our business was to attend to the business of the House, the legislation and the work of the House.

Mr. MacDonald: We are only in the fourth month of the session.

Hon. Mr. Wishart: I feel that members will want to spend their time during the days of the week attending to this business.

Mr. MacDonald: In an orderly way.

Mr. Stokes: We have been doing it since March 30.

Hon. Mr. Wishart: The part of the motion which says: "We will proceed promptly at 10 o'clock to deal with—"

Mr. J. Renwick: Is this a permanent arrangement?

Mr. Lewis: Is the government changing this permanently now?

Hon. Mr. Wishart: No; I am only concerned at the moment with this session.

Mr. J. Renwick: The government wants to get out sometime, does it?

Hon. Mr. Wishart: I see a large amount of work on the order paper.

Mr. J. Renwick: It wants to close the session off.

Mr. Lewis: Well this morning is fine.

Hon. Mr. Wishart: If members will allow me to tell them what I think—in reply to what they asked: I see a lot of business on the order paper, which I think has some urgency. We are here to do it. I think if we start at 10 o'clock to do it and devote ourselves to it, we can get it done with more expedition.

Mr. E. W. Martel (Sudbury East): In an ordered fashion.

Mr. Lewis: We could get it done with.

Mr. Deans: We could sit all night.

Hon. Mr. Wishart: So I do not make any apology for that. That is the reason. I do not think—

Mr. Lewis: That is not the reason.

Mr. J. Renwick: The government wants to get out of here.

Mr. W. Newman: We are looking after the people of the Province of Ontario.

Interjections by hon. members.

Mr. Speaker: Perhaps we might have some order. The hon. members have asked a question and it might be well if they allowed the House leader to answer.

Hon. Mr. Wishart: I do not think the hon. members should suggest that it is any attitude of wanting to get out of here. When I have a job to do, I like to get it done. And I do not—

Interjections by hon. members.

Mr. Nixon: Will you permit a question on that statement, Mr. Speaker?

Hon. Mr. Wishart: I do not think it is any great hardship to start to work at 10 o'clock in this House and stay with it.

Mr. Lewis: Nor do we.

Mr. Nixon: Mr. Speaker, I have a question on the minister's statement.

Mr. Speaker: The hon. Leader of the Opposition wishes to ask a question of the minister.

Mr. Nixon: Why, if he wants the work to be done, did the government not introduce the legislation in an orderly manner from the beginning rather than bringing in eight bills yesterday?

Hon. Mr. Wishart: Mr. Speaker, I can only say this, and I do not say it in any facetious way, but I am quite sure that if the hon. Leader of the Opposition had the task of considering and preparing legislation, he would find that it cannot be done overnight, if it is to be presented in an orderly way and to meet with proper consideration.

Mr. Lewis: The government has considered the detoxification centre for 12 years. It considered the answer for three years.

Hon. Mr. Wishart: This government has been sitting for something better than three months and with new ministers. It takes some time to prepare bills properly. That is the answer to that.

Mr. Nixon: Legal counsel are sitting over there with new bills right now.

Hon. A. F. Lawrence: Yes.

Mr. Lewis: Pits and quarries legislation is not in yet.

Hon. Mr. Wishart: I think perhaps—

Hon. A. F. Lawrence: Stick around; you ain't seen nothing yet!

Interjections by hon. members.

Mr. Lewis: They will disintegrate completely before this session is over.

An hon. member: They are all getting scared, that is all.

Interjections by hon. members.

Mr. Speaker: Order. We are not getting down to the business of the House. The minister is making a reply. Perhaps the members would give him the courtesy of listening.

Hon. A. F. Lawrence: I like to see those birds getting jittery anyway.

Interjections by hon. members.

Hon. Mr. Wishart: Mr. Speaker, I think the length of time the hon. members opposite are taking to consider these bills after

they are prepared surely must bring to their minds that the preparation of this legislation necessarily took a good deal of time. You cannot get them all in on the first week of the session.

Hon. A. F. Lawrence: They are all getting scared.

Mr. Lewis: Mr. Speaker, I hesitate to belabour it unduly.

Mr. Randall: The member is wasting time.

Mr. Lewis: It was a remarkably hypocritical and indefensible position for the House leader, who is not given to that kind of stuff—

Mr. W. Newman: Who is trying to waste time now?

Mr. Lewis: —that kind of half-Tory stuff in the dying days of the session.

Mr. Speaker: there is a motion before the House and it is debatable.

Mr. Speaker: The hon. member is debating the motion.

Mr. Lewis: Mr. Speaker, we are opposing the motion. And we are opposing the motion for a number of reasons which might quickly be itemized.

No. 1, not in the last four years has this House been in such a shambles in the state of its organization as it is now. Never, in the days of the former Prime Minister (Mr. Robarts), bad as they were in the war of attrition in the last few days, have we had so much chaotic stuff in the last few—

Hon. A. F. Lawrence: The member is jittery.

Mr. Lewis: Jittery? Jittery? Nothing would please us more than for this government to call that election and get us to the people, instead of the nonsense it is engaged in.

An hon. member: Right now!

Hon. A. F. Lawrence: Getting jittery.

Mr. Lewis: Mr. Speaker, let me try to make the other points.

Hon. A. F. Lawrence: Run up the white flag!

Mr. Lewis: The government has been having committee meetings in unnecessary competition with proceedings in the House.

Hon. A. F. Lawrence: For the first time in the member's life he has had to work.

Mr. Lewis: It has required of the members of the House, who would happily do it in an appropriate—

Hon. A. F. Lawrence: Stick around!

Mr. Lewis:—and orderly fashion, demands on their time which cannot possibly be served if we are to examine both legislation and committee proceedings, and the estimates appropriately.

Hon. A. F. Lawrence: The member should ask his father. Do they not do this in Ottawa?

Mr. Lewis: But worse than that, Mr. Speaker, this government has brought in all of its legislation at the 11th hour, while most of its major stuff—

Interjections by hon. members.

Mr. Lewis: It has its environment bill, it has its transit bill, it has its auto insurance bill. It has not even brought in pits and quarries, which is 21 months old.

Excuse me!

Hon. A. F. Lawrence: It is about time the member's voice changed.

Mr. Lewis: That seldom happens.

Hon. A. F. Lawrence: That is a sign of growing up anyway.

Hon. L. Bernier (Minister of Mines and Northern Affairs): At the earliest opportunity.

Interjections by hon. members.

Mr. Speaker: Order! Order!

An hon. member: Pretty embarrassed over there. And we are embarrassed for them; we cringe.

Another hon. member: We are a little embarrassed for the member.

An hon. member: Where was the member at 10 o'clock this morning? And where is he going to be next Tuesday morning at 10 o'clock?

Interjections by hon. members.

Mr. Speaker: Perhaps both sides of the House will now let the member complete his remarks.

Mr. Lewis: You will forgive my pre-pubescent moment, Mr. Speaker.

An hon. member: Prepubescent?

Mr. Lewis: Prepubescent, yes.

Mr. J. B. Trotter (Parkdale): Spell it for Hansard!

Mr. Lewis: I did it for the Attorney General. He is enjoying this.

What the government is really trying to do, and we might as well discuss it, is to force the Legislature into adjournment by next Friday. It is as simple and as clear as that. That is precisely what the government is trying to do. And, Mr. Speaker, it is so ineptly handled, it is impossible for us to adjourn next Friday. All you have to do is look at the number of hours that are left for the estimates. All you have to do is anticipate the debate on automobile insurance which is going to occupy a lot of time in this House. All you have to do is look at the debate which will come on the medical insurance audit, on the environmental bill, on the pits and quarries—which we do not yet have—on much of the committee stuff.

What you do, if you do it intelligently, is do it in an orderly fashion, so we sit until the third or fourth week of July if necessary. If you are still bringing in bills constantly, then by all means do it, but there is no point in turning the functions of the House into a shambles in order to serve personal political purposes.

Hon. A. F. Lawrence: Nonsense! Nonsense!

Mr. Lewis: The government is going to have its estimates committee meeting all day. The point was made yesterday that it should reform the committee proceedings, and yet when we finish in here this morning we go back into the education committee where members must be for votes; and we are sitting again in the Trade and Development estimates committee. Also we have the Attorney General's estimates in here.

This government does not know what it is to order the business of the House. They work frantically from day to day, and from hour to hour they change the order of business. They cannot decide the night before which bills they are going to call. Never has this government been so discredited in terms of the affairs of the House.

Hon. Mr. Wishart: What is the member complaining about?

Mr. Randall: Okay; call a vote!

An hon. member: Utter shambles!

Mr. Lewis: It is very much a reflection of the way this government works.

An hon. member: Failure again!

Mr. Lewis: Now Mr. Speaker, we will be here obviously for whatever hours you chose to employ us in these sittings and we will participate in the debates. I just want to assume the government that its little fantasy about closing off on Friday was destroyed by its inability to organize the introduction of legislation. And it is not going to happen.

Hon. A. F. Lawrence: And the leader of the NDP will continue to delay things.

Hon. Mr. Wishart: Where did the member get that idea?

Mr. Lewis: The government is going to have to have it subject to appropriate debate, and it would be much better for everyone concerned in the House if we continue to do it in the way we have been doing it throughout—with the exception of the competing committees—that we sit in the afternoons and in the evenings.

Mr. Speaker: I do not know what besets the government; I do not know what disarray or panic infects the House leader who normally handles things with some equilibrium. I do not know whether it is just that the Premier has been away this week—

Mr. W. Hodgson: Talk about wasting time.

Mr. Trotter: There has been chaos for four months.

Mr. Lewis: When he is away, as with the previous Premier, then it is bedlam. They cannot move from one day to the next without considerable confusion. I just suggest to the government, Mr. Speaker, that they had better pull themselves together. It is a pretty unhappy spectacle that they are presenting publicly and in the Legislature.

Mr. L. M. Reilly (Eglinton): We are willing to give whatever time—

Interjections by hon. members.

Mr. Lewis: And we will oppose this motion. I say to the House leader that he has no right to introduce it.

An hon. member: We are going to oppose them.

Mr. MacDonald: There is a motion, Mr. Speaker. The minister will reply only at the end of the debate.

Mr. Speaker: The Leader of the Opposition has not yet spoken on this.

Mr. Nixon: No, I have not spoken yet.

Mr. Speaker: The Leader of the Opposition has the floor.

Mr. Nixon: Mr. Speaker, we have been looking at the order paper during the course of the comments. In the last 10 sitting days 48 bills have been introduced; 35 are still on the order paper, 10 of them are not even printed and the legislative counsel sits there with stacks of copies of new bills waiting to be introduced later this morning.

Interjection by an hon. member.

Mr. Nixon: Our position on this would be to support the government if in fact the governmental business had been introduced in a regular series with a legislative programme that was recognizable. But obviously these bills are being hurled into the hopper at the last moment, surely for the good of the community and hopefully, according to the House leader, for the good of his own party.

We want to take the time to discuss them—

Hon. A. F. Lawrence: Right!

Mr. Nixon: —and we want to take the time to discuss them efficiently.

Hon. A. F. Lawrence: Right!

Mr. Nixon: I would be the first to say that we are wasting time now, because there are enough of the House leader's members here to ram through the order that he puts before the House in this motion.

Hon. A. F. Lawrence: Right!

Mr. Nixon: But surely the House leader is a reasonable man, and for him to imply, much less say, that the legislative business has been put forward as an orderly programme, of course, is just nonsense.

Hon. A. F. Lawrence: It has been.

Mr. Singer: Hear, hear!

Mr. Nixon: The resolution before us is one that will make us sit longer hours. We have no objection to that. Surely the proper ordering of the business would have been a reasonable adjournment at the end of June and a continuation of the business of the province in the fall, which has been our custom.

An hon. member: Right!

Mr. Nixon: Election or not, there will be people elected and a government operating the affairs of this province. So surely we can give reasonable consideration to the bills that must be put forward for the benefit of the taxpayers and the residents of Ontario.

We will vote against the resolution that is put forward for the reasons I have put before you, Mr. Speaker.

Mr. Speaker: The member for York South.

Mr. MacDonald: Mr. Speaker, I just want to add a brief word on the motion that is before the House.

This House has not yet met for three months, taking into account the Easter recess. In the past, it is true, when we got to the sixth or the seventh or the eighth month, the war of attrition came on because everybody felt we wanted to get out of here. But we have not yet met three months. The government increased the remuneration to members of the Legislature to \$18,000 because we were going to be working most of the year. Since when does three months become most of the year? What are we doing in terms of handling the people's business by working virtually around the clock?

If one is going to go to committee and if one is going to prepare to deal with legislation in the House, it is not simply a case of the House sitting from 10 o'clock in the morning until 10:30 at night. One has got to be working elsewhere. This is a mis-handling of the people's business, not an orderly handling of the people's business. It is proof once again that this government is abusing the situation. Everything must be accommodated to the particular needs of the Tory party.

It was in the first instance because of their convention, the session did not begin until the end of March. Now, because of your plans for an election, the people's business is going to take second place with hasty handling in this House, because you simply cannot handle the business of the House in a fashion like this.

Interjections by hon. members.

Mr. MacDonald: If this were the appropriate way to do it, then presumably we would be doing it from the beginning of the session—meeting at 10 o'clock. But generally the government deems it to be inappropriate and it is not appropriate now.

Mr. Speaker: The hon. member for Downsview.

Interjections by hon. members.

Mr. Singer: Mr. Speaker, I think it has to be said—

Hon. Mr. Stewart: The leader of the NDP did not say it, so the member can say it.

Interjections by hon. members.

Mr. Speaker: Order!

Mr. Singer: —in language simple enough for even the Minister of Agriculture and Food to understand, that the government is in complete and absolute chaos. They do not know where they are going from one day to the next.

Interjections by hon. members.

Mr. Singer: I say this, sir. I say that in view of the fact that they have introduced approximately 50 bills in 10 sitting days.

Hon. A. F. Lawrence: Wait until the member sees the next 10 days!

Mr. Singer: The fact is we have presently the estimates of the Attorney General before the House and the estimates of the Minister of Trade and Development, which still have several votes to carry.

Mr. Lewis: It is even politically inept in July. Nobody is opposing or listening to the government. The government should wait until September if they want to make some hay!

Hon. A. F. Lawrence: Nobody is listening to us?

Mr. Randall: The opposition member's thinking is as fast as tennis players in divers' shoes.

Mr. Speaker: Perhaps we might have a lull in the interruptions and allow the hon. member to complete his remarks.

Mr. Singer: The fact is, Mr. Speaker, that probably the most controversial estimates are now to come before the House or committee—those of The Department of Education have not even started yet. One must come to the conclusion that the government's ineptness is a planned ineptness to stifle public discussion of important matters they want to run in at the last minute.

I say, therefore, sir, that this debate on this motion is important and our vote against it is important because, hopefully, the people of the Province of Ontario will know that the

new wave is a sham and a fraud and that these people just do not know anything about how to run a government or a Legislature in a fair and reasonable manner.

Mr. Speaker: The hon. member for Wind-sor West.

Mr. Peacock: Mr. Speaker, the whole exercise that this House went through in revising its rules in the fall of 1969 and throughout the early part of the session of 1970 has now been set aside. The House at that time, with the concurrence of both opposition parties—albeit reluctant concurrence—imposed on the members and on the business of the House the limitation of 225 hours for estimates. That was the part of the business of the House which until that point had caused us the greatest difficulty in concluding the business of this province within the span of 12 months or the time that was available to the House for sittings during the calendar or fiscal year.

We got ourselves into tremendous difficulty in trying to deal adequately with all of the estimates of the departments as the expenditures of this government grew and grew. Now, after surrendering the open-ended consideration of estimates, we have the imposition of the guillotine on legislation—

Mr. J. Renwick: Hear, hear!

Mr. Peacock: —with no consideration whatsoever by the select committee, with no consideration by the procedural affairs committee of this House that followed on that select committee. Having concurred in the restrictions on estimates, a restriction which we now come to the end of, the 225 hours have almost run out for the time available for consideration of estimates, we are going to have all of the remaining 48 or so pieces of legislation pushed through this House in the space of a week, if the government House leader has his way. This motion is completely in bad faith.

Hon. Mr. Wishart: Who said anything about that?

Mr. Nixon: Who said anything about it?

Mr. W. Hodgson: Next week, too.

Mr. Henderson: We would be working all summer.

Hon. A. F. Lawrence: Right!

Mr. Peacock: It is entirely against the spirit of the revision of the rules for the business of

this House. We are shortly to clear off the estimates work of the House, and all of the time that need be spent on legislation is there to be spent in the normal routine sittings of the House. In another week's time we could have absolutely normal procedures to deal with the balance of legislation.

Mr. MacDonald: Right—like 10 o'clock sittings.

Mr. Peacock: There is no necessity at all moving to rush through every last piece of business within the space of one more week. By extending the hours we may well finish the estimates somewhat faster, but a lot of the legislation will go through without considered study and adequate debate on the major pieces of legislation.

The Attorney General, or rather the government House leader, should withdraw the motion.

Hon. A. F. Lawrence: Who is rushing?

Mr. C. G. Pilkey (Oshawa): The government is!

Hon. A. F. Lawrence: Nonsense.

Mr. Speaker: The member for Ontario South.

Mr. W. Newman: Mr. Speaker, speaking on behalf of the motion, speaking in favour of the motion, I was also elected like the rest of members to represent my riding and the people of the Province of Ontario.

We have a lot of urgent government business before this House, and I think we should sit longer hours to look after the people of the Province of Ontario. All I can say is that it seems to me that the two opposition parties do not seem interested in getting on with the business and the urgent matters facing the people of this province. That is their problem right there.

Hon. Mr. McKeough: Hear, hear!

Mr. Ruston: Why did the government not do that last March?

Mr. MacDonald: There was nobody here at 10 o'clock on that side of the House.

Mr. Singer: When are we going to get some intelligent comment from the back-benchers on the business of the House?

Mr. Speaker: The member for Parkdale has the floor.

Mr. Trotter: Mr. Speaker, the last speaker completely missed the point.

An hon. member: As usual!

Hon. A. F. Lawrence: No, he did not, he had it right on!

Mr. Trotter: We oppose this motion for, I think, two main reasons. One of them has been pretty obvious, that the government has allowed the session to drag on and on up until the last two or three weeks.

Hon. A. F. Lawrence: Nonsense!

Mr. Trotter: And now we have major legislation, such as the House leader's amendment to The Insurance Act, which certainly needs a lot of debate. The amendments to the—

Mr. Stokes: It will not stand up to close scrutiny.

Mr. Lewis: That will take a week in itself.

Mr. Trotter: —Health Services Insurance Act, which is a very important piece of legislation.

Mr. Stokes: The minister has not even introduced these yet.

Mr. Trotter: The Minister of Energy and Resources Management has an extremely important bill. Why is it, Mr. Speaker, that these three major pieces of legislation are crammed in at the end of the session?

Hon. Mr. Bernier: Do not move. It is sitting right here.

Mr. Singer: This is the business of the people. We are not near the end yet.

Mr. Trotter: Among the major estimates in this House are those of The Department of Education. I suggest to you, Mr. Speaker, that these estimates have been left to the very last—

An hon. member: Deliberately!

Mr. Trotter: —when the amount of time that has been left to debate the estimate is practically gone, in order to stifle the debate on the matter of education.

Mr. Newman: Whose fault is that? That is the opposition's fault.

Mr. Trotter: The whole attempt is for the government to cover up, not only the mismanagement on the affairs of the House—

An hon. member: Hear, hear!

Mr. Trotter: —but essentially to cover up management of government—

Mr. MacDonald: When the government gets out of here, it will never be back.

Mr. Trotter: —over the last period of years, because the estimates of The Department of Education are of utmost importance.

Mr. Singer: Right!

Mr. Trotter: Yet it will receive the least amount of attention in this House. In that way, that was planned chaos on the part of the administration.

So I say there are two main reasons I vote against this motion. The first and most important is that major pieces of legislation, and the major estimates before this House are not going to receive proper debate, or at least it is an attempt by the government to stop proper debate. The second reason is that it is an indication that this House in this session has been mismanaged by the government. It is typical of the administration over the last number of years.

Mr. T. Reid (Scarborough East): Mr. Speaker, if I might throw a bit of historical perspective on what the government is doing—

An hon. member: The member has been here so long; and so often!

Mr. T. Reid: I will be here one hell of a lot longer than the government members.

Interjections by hon. members.

Mr. Singer: Come on foot-in-the-mouth, put it in again.

Mr. T. Reid: The Attorney General could pull his hair out!

Mr. Speaker, there is a person called Fred Schindeler, a professor of political science at York University, who wrote his thesis on how this government has operated in the Province of Ontario, first under George Drew—

Mr. Speaker: Perhaps the hon. member will speak to the motion and not to the operation of government. There is a motion on the floor of the House.

Interjections by hon. members.

Mr. T. Reid: Mr. Speaker, any time you want to squash me, go ahead!

I will make a very simple point. Fred Schindeler has stated time and time again—

his thesis is now out in the form of a book and anyone can read it—that this government during the Fifties and the Sixties consistently put an overload on the House toward the end of the session, particularly in the form of controversial legislation, and that the purpose of doing so is to prevent discussion. It is as simple as that.

Mr. W. Newman: We have never stopped a discussion of any bills in this House and do not forget that.

Mr. T. Reid: Cut it out! The hon. member is just trying to get out of here next Friday to go back and scramble in his constituency.

Mr. Lewis: The hon. member will not even be back here next time.

Mr. R. M. Johnston (St. Catharines): He will be back here.

Mr. T. Reid: Schindeler makes the point very simply, Mr. Speaker, and what we have witnessed in the standing committee on human resources with The University of Toronto Act is an affront to the business of this House. If we are to do justice to that Act we need time to discuss that Act properly in that committee. We need time to discuss the Education estimates. To have the House sitting, to have two standing committees sitting at the same time, to pour in again an overload by having extra meetings in the mornings and then trying to cut it off on Friday is an affront to the democratic process—

Hon. J. W. Snow (Minister without Portfolio): One of the member opposite's front benchers has gone into private management.

Mr. T. Reid: —which has been well documented before in this province.

Mr. R. G. Hodgson (Victoria-Haliburton): Mr. Speaker, I would like to point out that the fact is that the committees are sitting concurrently with the House with the agreement of the House and the members opposite.

Mr. Lewis: That is not so.

Mr. R. G. Hodgson: The motion of the chairman of that committee asking permission of this House to sit concurrently was agreed by the people opposite. They did not object.

Mr. Peacock: It was agreed under normal routine procedure.

Mr. R. G. Hodgson: The other thing, Mr. Speaker, in speaking in favour of this mo-

tion, I would like to point out that there was agreement by the opposition members as well as the government members of the select committee that the 225 hours was adequate time, but there was inherent in that agreement that the opposition parties would have to manage their time properly.

Interjections by hon. members.

Hon. Mr. McKeough: They should discipline themselves!

Mr. Lewis: The estimates are not the problem.

Mr. R. G. Hodgson: The fact that they have limited time—

Interjections by hon. members.

Mr. R. G. Hodgson: The fact that they have limited time, and are running short of time in estimates consideration—

Mr. Singer: The government has 25 bills it has not introduced yet; we have not even heard yet!

Hon. A. F. Lawrence: At least!

Mr. R. G. Hodgson: —is because they have mismanaged their time and mismanaged their own affairs. They do this in this House, and they are part of government of the affairs of the people of this province.

I say that they have not carried out their duties properly—

Interjections by hon. members.

Mr. R. G. Hodgson: —and if they are going to vote against such a motion as this, which will allow proper and full discussion of the legislation—

Interjections by hon. members.

Mr. R. G. Hodgson: —I think that they are wrong—

Mr. Singer: Oh come on! Shame, shame!

Mr. R. G. Hodgson: They should join with the government in getting on with the affairs of the people.

Interjections by hon. members.

Mr. Nixon: Why not stick with the rules then?

Mr. Speaker: Order, order! The hon. member for Niagara Falls has the floor.

Mr. G. Bukator (Niagara Falls): Mr. Speaker, I would like to take part in this shouting match. I have heard a lot of confusion in this Legislature. I am very—

Hon. A. F. Lawrence: The hon. member has been the cause of some of it too.

Mr. Bukator: Yes, I guess I have been, and I intend to be much more. But I am going to tell you something, Mr. Speaker, in response to the last gentleman who was on his feet talking about allotting 225 hours to the estimates of this House to do the business of the province and we find at this time that there is not sufficient time to complete that business in 225 hours: I for one am content to sit here the rest of the summer and I do not mind coming in in the morning and I do not mind sitting here to 6 o'clock at night; but I am going to tell you something—your night sessions are something that you ought not to contend with even at this moment.

While we are debating in this House the method by which we operate the province's business, the Minister of Trade and Development is down there right now with estimates that I want to be debating also. And when we have an overlapping and they run concurrently we are not doing the business of the House.

Mr. Singer: That is the point. That is exactly the point.

Mr. Lewis: The education committee is meeting now.

Mr. Bukator: As a matter of fact, I would like to sit in on that committee meeting also.

Mr. Lewis: That is the greatest show in town, that education committee—even better than this.

Hon. A. F. Lawrence: Anything would be better than this.

Mr. Ruston: It would not have to be much better to be better than this.

Mr. Speaker: Order!

Mr. Bukator: I understood when I first came here that the hon. gentlemen of this House started the order of the business with a little bit of a prayer—and that is the most orderly part of the whole day's events. After that it is nothing but a state of confusion; the government does nothing but disturb us to the point where we get somewhat frustrated. I thought, as some of the members on the other side of the House have said, that I was

sent here by the people in my particular riding in the Niagara Peninsula to do the business of this province and to do it well.

There is not one man sitting in this House this morning who would run his business the way they run this government—not one. If people who are in business find they cannot complete their business in a period of hours, then they extend those hours. I am quite content to sit here for the rest of the summer with no time off while we are doing the business of the province, but I think this weekend what we Liberals should do, since we all have had an invitation to live at the Talisman club where we are going to have free rooms and free meals, is we ought to take those two days off and relax a bit and come back in here Monday morning.

Hon. A. F. Lawrence: They are all getting pretty jittery.

Mr. Bukator: No, the minister has that wrong; it will take a lot of time for some of his colleagues to make the member for Niagara Falls jittery.

Hon. A. F. Lawrence: I guess that is right too.

Mr. Henderson: The member should come over and join us. He would like to be part of us.

Mr. Bukator: I would join them if they had some policy over there.

Mr. MacDonald: Coming from a Liberal, that is a remarkable statement.

Mr. Bukator: I thought possibly it would be the lesser of the two evils. We could put this House in order, and we will put this House in order because this government has not administered the affairs of this province well—not well at all. As a matter of fact, their days are over as far as troubles are concerned because they have created such chaos in this province that we will never get out of it simply because of the arrogance of these ministers in the government.

Mr. Speaker: How about getting back to the motion?

Mr. Bukator: Mr. Speaker, I understand that you are an unbiased man. Now since I pick on your government, you ought not to complain.

Mr. Speaker: I am charged with the impossible task of endeavouring to keep the members on the debate on the motion.

Mr. Bukator: I understand, Mr. Speaker, let you and I have a bit of a debate here. If you were on your feet I would have sat down. But you know, Mr. Speaker, it is a remarkable thing that you interject at certain times with some members, while other people go on hour by hour in this House and get away with it. Why is this? Why is this biased opinion of yours imposed on only some of us?

Mr. MacDonald: Hear, hear! It is just part of the general chaos of this House.

Mr. Bukator: Now let us get back to the—

Mr. Speaker: That is all I ask, to come back to the motion.

Mr. Bukator: Very good. I will comply since I am a generous man.

Hon. Mr. Snow: What was the hon. member talking about?

Hon. A. F. Lawrence: If you cannot stand the heat get out of the kitchen.

Mr. Bukator: But I say to you, Mr. Speaker, that the government has not been administering the affairs of this province the way it ought to, and I am quite sure the people know that by this time. However, while we are here wasting our time there are two very important estimates going on in other rooms and how can you expect one man to be in three places at one time? I consider the last half hour as a waste of time, including my little contribution.

Mr. Speaker: The member for Timiskaming has the floor unless there is a point of order.

Mr. W. Hodgson: On a point of order. The estimates of the Trade and Development committee are not going on and they will not go on until after the orders of the day.

Mr. Speaker: The member for Timiskaming.

Mr. D. Jackson (Timiskaming): Mr. Speaker, when the party accepted the limitation of 225 hours for the completion of the debate on the estimates, we did so because we thought it would contribute to the orderly business of the House. That has changed. We have lived within those limitations and we intend to live within those limitations. To use that as an excuse to extend the hours is just a lot of clap-trap.

Mr. Speaker: I would just like to ask one question of the House leader. Would it be that there are so many members on his side who do not intend to take part in any debate and would just as soon be sitting alongside a swimming pool some place as looking after the province's business? Is that why they want out of here?

Interjections by hon. members.

Mr. Speaker: The member for Wellington-Dufferin.

Mr. J. Root (Wellington-Dufferin): I have listened with great interest to the debate on this motion and some of the suggestions that have been made that the government is not trying to conduct the business in an orderly manner and that we should vote against the motion. I want to say—

Mr. Lewis: Mr. Speaker, who is that? Is that a member? Someone has wandered into our environs.

Mr. Root: I want to say to the leader of the NDP he does more interrupting in here and holding up of the business of the House than probably any other member.

Interjections by hon. members.

Mr. Lewis: I am glad the member is here today to hear my interruptions.

An hon. member: Daddy did not bring him up very well.

Mr. Root: And I want to say, Mr. Speaker, that I sat in this House for just about 20 years and I never saw a party any more disorganized than the NDP.

Mr. Speaker: Perhaps the member will come back now to the motion. Order!

Mr. Root: Mr. Speaker, last night we had two members of the NDP in the House and how are you going to carry on the orderly conduct of the business that way? If they cannot stay up at night, let us start in the morning the way we farmers start. I am in favour of the motion.

Mr. W. Ferrier (Cochrane South): Six of us were in committee.

Mr. Stokes: Let us not be hypocritical. Where was the member for Wellington-Dufferin at 10 o'clock?

Mr. Martel: There were two Tories asleep in the other committee.

Mr. Singer: The member for Wellington-Dufferin is funnier about sewage than he is in this debate.

Mr. Bolton: I was in the House last night from 8 until 10:30. At no time did this party have merely two members present. I would like the last speaker to withdraw his incorrect statement.

Mr. Lewis: And how would the member for Wellington-Dufferin know how many members we had present? He has not been in the House for three months.

Hon. A. F. Lawrence: He is right. For a while it was only one.

Mr. J. Renwick: Mr. Speaker, we have had more life from the Tory benches this morning than through the whole session.

Mr. Root: I was in the House last night. The leader of the NDP was not here and there were two members. One was the member for Middlesex South, and the other the member from Sandwich-Riverside (Mr. Burr)—

Mr. Lewis: I was in the education committee, so the member should sit down. Mr. Speaker—

Mr. Root: —yet the NDP leader tells the press they always have five members in the House, and that goes out to the public.

Mr. Pilkey: That is true. We had them here last night.

Mr. Speaker: Order! Order!

Mr. Lewis: Whoever that is, call him to order.

Mr. Speaker: The member for Riverdale has the floor to engage in the debate on the motion.

Mr. Singer: He got out of his field; he was not talking about sewage.

Mr. Lewis: I do not understand these things. These people who have never been here; I think they should be checked.

Mr. J. Renwick: The Tories think they are at public school and it is the end of term.

Hon. Mr. Snow: It is the end of the NDP's term.

Mr. J. Renwick: Mr. Speaker, I just have one area. The members of this party have

put the case so cogently, that it is unlikely that the motion will pass, but should we run the risk that it would pass, I would like to ask the House to consider an amendment to the motion, simply because we are not prepared to await the decision of the House leader or of the government on the question of the concurrence of the sittings of the committees outside the chamber when legislation is being considered. Therefore, Mr. Speaker, I would move that the motion be amended by adding thereto the following words: "But that standing committees not meet while legislation is being considered on second reading, or in Committee of the Whole."

Hon. A. F. Lawrence: He must be confused, now he wants to amend his own motion.

Mr. Lewis: That is the very least to salvage this travesty of the government's.

Mr. Speaker: Before putting this amendment I would like to draw to the attention of the members of the House the record of the proceedings on July 8, in the period 2:45 p.m. and on, whereby Mr. Villeneuve, from the standing human resources committee, presented the committee's report which was read as follows, and adopted:

"Your committee"—now this came from the committee—"your committee requests permission to sit concurrently with the House to consider Bill 80, the University of Toronto bill.

"Mr. Speaker, is it the pleasure of the House that the report be adopted and concurred in." And it was carried without further or other debate.

Mr. Lewis: Now that is a red herring—

Mr. Speaker: Now, I am merely pointing out to the members of the House—

Interjections by hon. members.

Mr. Speaker: Order! Order!

Interjections by hon. members.

Mr. Speaker: I have the floor—I have the floor and when I sit down the member may have it. The hon. member will wait until I have completed what I am saying.

Interjections by hon. members.

Mr. Lewis: Why do you not occupy a seat over there?

Mr. Speaker: Now, what I am pointing—if the hon. members will just wait—they do not need to get so excited. What I am pointing out is that there has been considerable debate here, and I am going to put the amendment to the motion in a moment.

But I want to point out to the members that the matter which is being amended is one which was voted on in the House and was carried unanimously, and there has been considerable debate about that; and I felt that the members of the House should have their memories refreshed as to what happened. My view—

Interjections by hon. members.

Mr. Lewis: Well, so what? What gratuitous interpretation is that?

Mr. Speaker: It is not an interpretation, it is nothing except drawing to the attention of the members of the House what Hansard has recorded.

Mr. MacDonald: It is an intervention in the debate by the Speaker.

Mr. Speaker: It is not an intervention in the debate by the Speaker.

Mr. MacDonald: It is. If he does not recognize it, that is the problem.

Mr. Lewis: No wonder my voice cracks in this House.

Hon. A. F. Lawrence: As I said before, stick around, that is not all.

Interjections by hon. members.

Mr. Speaker: I am about to put the amendment, unless the member for Riverdale wishes to rise at this point, otherwise I will put the amendment.

Mr. J. Renwick moves that the motion be amended by adding thereto the following words: "but that the standing committee"—committees, is it plural?—"that the standing committees—"

Mr. J. Renwick: Yes, Mr. Speaker.

Mr. Speaker: Right—"that the standing committees not meet while legislation is being considered on second reading or in Committee of the Whole."

Now, the House is open of course for debate on the amendment to the motion and, of course, those who have spoken on the motion may also speak on the amendment.

Mr. R. M. Johnston: Let us vote on it and beat it.

Mr. Lewis: Let the House leader go ahead.

Hon. Mr. Wishart: Mr. Speaker, all the motion asks of this House is that they work two hours extra per day, from 10 o'clock to 12 o'clock, on four days of the week—Tuesday, Wednesday, Thursday—

Mr. Lewis: And we sit here Wednesday. We have not been sitting on Wednesdays.

Mr. MacDonald: So the hon. members get up at 6 o'clock in the morning to do their preparation for 10 o'clock sitting.

Hon. A. F. Lawrence: Welcome to the club.

Hon. Mr. Wishart: At the last Parliament, the member for Downsview says—

Interjections by hon. members.

Mr. Lewis: It is not two hours more a day. That is not so. You are adding a total of eight, 12, 14½ hours to next week. The total is 14½ hours.

Hon. Mr. Wishart: I thought the member for Scarborough West had made his comments on the motion. The member for Scarborough West seems to have a fixation in his mind that somebody wants to get out of this House next Friday. Where he gains that impression, I know not.

Mr. W. G. Pitman (Peterborough): Why the change in the rules? We have been here for the past three months.

Hon. A. F. Lawrence: Because we have a lot more work to do.

Hon. Mr. Wishart: Because there is much work to be done.

Hon. A. F. Lawrence: We do not think the opposition is working hard enough.

An hon. member: That is why we are here.

Hon. Mr. Wishart: All the motion asks is that we work—

Mr. Singer: Again rediscovery of America, more work.

Hon. Mr. Wishart: All the motion asks is that the members work a couple of hours longer in this House and I suggest—

Mr. Lewis: Fourteen and a half hours more.

An hon. member: Ten and a half; 10½ it is.

Hon. Mr. Wishart: I suggest—

Interjections by hon. members.

Hon. Mr. Wishart: I suggest the members reconsider their opposition to this motion and agree that they will work a little longer in this session.

An hon. member: A little harder.

Hon. Mr. Wishart: The member for Downsview says that this is an attempt to stifle discussion. It is an attempt to do exactly the opposite.

Interjections by hon. members.

Hon. Mr. Wishart: To give more time for discussion.

Mr. Peacock: The guillotine of exhaustion.

Hon. Mr. Wishart: The member for Windsor West says this is the guillotine. It is no such thing. It is an opportunity for the member for Windsor West to spend some more time in this House in debate and on the business that is before the House.

Mr. Singer: The minister is just all heart.

Mr. Lewis: So the minister puts us in committee and in the House from 10 in the morning. He calls it only two hours more a day.

An hon. member: The hon. member can get up a little earlier.

Another hon. member: Do a little work.

Mr. Lewis: The minister does not know what he is talking about. It is the exhaustion process. That is the syndrome.

Mr. Peacock: It is the guillotine of exhaustion.

Hon. Mr. Wishart: Mr. Speaker, the members opposite speak about order. If they would order their time and their personnel in an efficient and orderly manner they would have no difficulty.

Mr. Lewis: The minister did not even give us advance notice.

Mr. Peacock: He will not even give us the staff.

Mr. Lewis: He cannot even get his cabinet to agree on how he is going to bring in the estimates.

Mr. Singer: Last week the minister could not tell us from one hour to the second one.

An hon. member: We could have but we chose not to.

Mr. Singer: The government lost the Minister of Education (Mr. Welch) for half a day.

Hon. Mr. Wishart: I heard the—

Mr. Singer: It drives the Attorney General to distraction. He cannot get three solid hours on his estimates.

Hon. Mr. Wishart: I think it was the member for Downsview who said there are bills on this order paper, major legislation, and that we are not going to have time to look at them properly. This is an offer, a proposal, a motion to give him more time.

Mr. Lewis: We have the rest of the year.

Hon. Mr. Wishart: All he needs to do is attend the House, Mr. Speaker.

Mr. Singer: He is going to increase the hours of the day from 24 to 30.

Hon. Mr. Wishart: As a matter of fact, Mr. Speaker, the members opposite have wasted an hour this morning.

Mr. Singer: They will have 30 hours from here on in.

Hon. Mr. Wishart: We might have got some legislation through but for this waste of time.

Hon. A. F. Lawrence: Yes, and if we had our way, it would be a nine-day week too.

Mr. Singer: Yes.

Mr. Martel: Why did the government not call the House back after its five-month holiday?

Hon. Mr. Wishart: Someone mentioned—

Hon. A. F. Lawrence: We like to see a lot of sweat over there.

Hon. Mr. Wishart: I believe it was the member for Scarborough West who mentioned the insurance bill. That has been on the order paper for 15 or 16 days—it was introduced on June 24, ample time for the opposition to be ready to discuss it. I would like to give them a couple of hours extra each day to discuss it.

Mr. J. Renwick: We are ready to discuss it.

Mr. Lewis: I see the minister is going to send it to committee too.

Hon. A. F. Lawrence: If those guys do not like it, they had better unionize. They should get together.

Hon. Mr. Wishart: Mr. Speaker, surely—

Hon. A. F. Lawrence: The member for Oshawa can tell them all about that.

Hon. Mr. Wishart: Surely the members opposite, if they stop and pause to think, will realize that all they are asked to do is give a little more time to the business which is before the House.

I would oppose the amendment proposed by the member for Riverdale and support the motion and ask that it be passed.

Mr. Nixon: Mr. Speaker, speaking to the amendment, you will recall I think two weeks ago we brought to your attention, sir, when this first became a problem, that the committees were interrupting the discussion of the bills here in the House. This amendment is a very useful one indeed and one which surely the House leader might well have considered before it was brought before the House by an opposition member.

I would suggest that he do give it the kind of consideration that it merits because obviously this will solve our problem. No one here is resisting the requirement that we work long hours; we do already, and he knows it. We are not resisting that requirement. We do want the opportunity to order our comments and our approach to the bills.

Now, my last point, Mr. Speaker. The real difference, when one considers what has happened in other years, it is true that when there has been an overload dumped into the legislative hopper, there has been additional pressure, Mr. Speaker; this has happened year after year. But the real difference is that in the past the former leader of the government very quietly would speak to the Leader of the Opposition and the leader of the NDP, sometimes in his office or elsewhere, and say, "This is what I propose to do."

Sometimes this would bring forward debate in the House and sometimes a lot of acrimony, before the rules required an adjournment of 10:30, as we went through to midnight, 1:30, 2:30 and on many occasions until 4 or 5 in the morning. But at least the leader of the government and the leaders of the opposition parties knew what was happening. The big change is that the new lead-

er of the government has never undertaken to order the affairs of the business of the House.

Mr. Singer: That is exactly my point.

Mr. Nixon: He has simply turned to his House leader and said, "It is all yours," and he has made a mess of it.

Mr. Singer: Nobody co-operates with the House leader, nobody pays any attention to him.

Mr. Speaker: The hon. member for Peterborough.

Mr. Pitman: I do not want to be repetitive on this question—

Interjections by hon. members.

Mr. Pitman: I want to state some concern with the allegations that have been made by members on the other side of this House, that the reason we are opposing the motion is that we do not wish to work long and hard on the business of the Province of Ontario. This is not the point at all, and the members over there realize that.

I wish some of the members over there had been in the human resources committee. I can simply say to them that the human resources committee has at least two or three weeks work to do, and there is no way by which we can complete the bill on The University of Toronto. It is bringing forth a great many delegations and it is causing great concern as a result of four years of debate on the other side of University Avenue. There is no way that we can honestly cover that bill in the way that the Minister of University Affairs has suggested—that is, openly debating a bill without any predilection with the whips being on, as the minister himself put it, and also carry on the estimates of The Department of Education within a few days. It is impossible for us to carry on our responsibilities in that committee, because we have to be there to hear those delegations and to be here in the House. It may be wrong-headed, it may be arrogant for us to suggest on this side that each of us may have something useful to say on the very important pieces of legislation that are coming before this House. That may be the opinion of those on the other side of the House, but we were elected by our constituents to come here and deal with the laws which are being passed for this province. Since I have been in this House, which is not a long time, Mr. Speaker—

Mr. Stokes: We intend to carry out that custom.

Mr. Pitman: We intend to carry out that responsibility.

Hon. Mr. Grossman: Well, why do they not get on with the business of the House? Let us go to work.

Mr. Pitman: Since I have been in this Legislature—Mr. Speaker, may I say this without the harping and the carping from the other side—I have had a feeling that I could cope with the legislation with some degree of involvement in the estimates of those departments in which I have some interest as a result of my own background or because my constituents are interested in it, and also in the committee work.

For the last few days I have been completely unable to carry out my responsibilities as a member of this House—to be here to carry out my duties in this Legislature, to be down in that committee and to find that legislation had been passed, that things had gone on in this chamber which I was not even able to discuss intelligently and knowledgeably with people who were in my own constituency. That is a denigration of my responsibility.

Interjections by hon. members.

Mr. Pitman: It has nothing to do with my political party. We have been here in numbers which I think show a degree of commitment to this House which cannot be in any way denigrated by those on the other side of this chamber. Or matched, I might say, by others in this chamber.

It comes down to this: It is not a matter of working hard and long; I am in my office at 7 o'clock in the morning and I am prepared to be here at 11:30 at night.

Mr. Stokes: He is, too. I can attest to that.

Mr. Pitman: They can check that with the people who work on the doors in this building.

Mr. Stokes: He follows me in.

Mr. Pitman: I am prepared to work those hours. I am not prepared to go through the motions of wreckage of a Legislature which is supposedly acting in the interests of this province.

Mr. J. Renwick: Very good!

Hon. Mr. Grossman: This is incredible!

Mr. Pitman: The minister has said we spend time and we are prepared to spend the time. We have been here since the last day of March, we can be here in July and August and September and October and November; we are prepared to stay in this chamber until we have carried out the interests of the people of this province.

Why is it that the government is insistent upon wrecking the democratic process in this chamber? That is exactly what we are talking about. That is what the issue is on and that is what we are not prepared to do.

Mr. T. Reid: I would like to speak to the amendment that would enable this House to consider legislation and for my reasons, I would like to quote from a book by Fred Schindeler entitled "Responsible Government in Ontario," to back up the case I am making in support of the amendment put forward by the third party.

This is very important because this puts in a nutshell what is really happening in this place. The quotations are brief, Mr. Speaker. This is on page 216, of so-called "Responsible Government in Ontario":

Since the Second World War the normal procedure has been to bring very little business before the House in the first month or so and then to introduce more and more bills as the session progresses and the House becomes increasingly involved in committee of supply and other activities. The result is that in the last few days of the session, members must consider not only the estimates and the new legislation being introduced, but also the bills that went through their first stages earlier in the session.

He has a table here and in that table he points out, for the years 1960 to 1965, Mr. Speaker:

It may be seen that in the last three weeks (15 sitting days) of each of those five sessions, members had to study an average of 28.6 pieces of new legislation, of which they probably had no previous knowledge; and during the same period they were expected to give second reading to an average of 43.8 bills, consider 88 bills in Committee of the Whole House and give third reading to 88.6 bills. Is it any wonder—

Professor Schindeler points out in his study—that little time or forethought is given to the detailed revisions of bills in committee of the Whole House—

For example, The University of Toronto bill right now—

when 60.5 per cent of all bills are taken through that stage in the last 15 days of the session.

Mr. Speaker, this quotation is to put this in perspective of what this government is trying to do.

And Fred Schindeler points out in his study of this government for the years 1960 to 1965, Mr. Speaker—

Hon. A. F. Lawrence: That was the previous government.

Hon. T. L. Wells (Minister of Social and Family Services): That is not this government.

Mr. T. Reid: It is. Mr. Speaker, that is the very point, there is no new wave. What this government is doing right now is exactly what it has been doing since 1945. The pattern is the same, there is no new wave. It is the same polluted stream that is running through this place. The same polluted stream of bald-headed men!

Interjections by hon. members.

Mr. T. Reid: But Schindeler points out, Mr. Speaker, that the real problem with this process, is the organization of business of the House, rather than the shortness of the session.

Hon. Mr. Grossman: How about some of the member's own ideas?

Mr. T. Reid: It is bad management.

Hon. A. F. Lawrence: Now, could the member tell us something of his own experience?

Mr. T. Reid: No, I have to quote these great professors. And do you know what Schindeler said on page 218, Mr. Speaker? He said:

What would be remarkable would be to find that this legislation was carefully gone over, to ensure that it laid down the details of policy, defined the limits of any powers which were delegated, and clearly set out the lines of responsibility.

Mr. Speaker, I refer the hon. members to this book. It is about what this government was doing between 1960 and 1965 and what it is doing now, in the same mould, the same attitude and the same arrogance of power that they can do what they like with their power

in this province. I, for one, I am sure, will see them in that mould just as a dissipated wave falling upon a polluted beach, if you like.

Mr. Henderson: That is the last speech the member will make in this House.

Mr. Speaker: The member for Grey-Bruce.

Mr. Sargent: Mr. Speaker, it is happening right now in the fact that we just had the Minister of Trade and Development call off his hearing; the minister was there plus 30 other of his top brass and one single member of the Legislature—

Mr. Henderson: Where is the member voting?

Hon. Mr. Grossman: That is because the members are arguing about nothing over there.

Mr. Sargent: Just a minute! It is happening right now. We could only corral one member and I was there for 15 minutes alone. Finally the member for Algoma (Mr. Gilbertson) walked in so we had two members to assess this, the biggest estimates in the House, the most important estimates.

Mr. Henderson: The committee does not start until after the orders of the day. Orders of the day were not called then.

Mr. Sargent: The fact is the findings—

Hon. Mr. Snow: The member was in the wrong chamber.

Mr. Sargent: —that are coming up in these estimates are shocking. It is almost incredible what is happening, yet no one knows about it. I suggest, Mr. Speaker, that this is where the action is. This chamber should revert to the system whereby the main estimates come through this House and are not hidden away down in a corner with two or three other committees going on and no one knows what is going on.

Hon. Mr. Grossman: The member's party agreed to that.

Mr. Sargent: I took the press to task for not—

An hon. member: Once in a while we make a mistake.

Mr. Sargent: —covering the meetings. The press, I will go along there—

Hon. Mr. Grossman: As a matter of fact the opposition insisted on it.

Mr. Sargent: —are greatly overworked and I know there is a shortage of the press here.

Hon. A. F. Lawrence: Who? Come on! That is even more ridiculous than their statements.

Interjections by hon. members.

Mr. Sargent: I am not chickening out a bit.

Mr. T. Reid: That is a fundamental point—people have the right to know through the press.

Mr. Sargent: The think is that people will never know. I have spent literally—

Mr. Lewis: Is the minister lowering the drinking and voting age today?

Hon. A. F. Lawrence: Me?

Mr. Lewis: Yes. Or is it pits and quarries?

Mr. Sargent: I spent many hours preparing for the estimates of this minister and everything we have come up with has gone down the drain. The people in this province do not know what kind of an operation the minister is running there.

Hon. Mr. Grossman: The hon. member was agreeable.

Mr. Sargent: They will never know—

Hon. Mr. Grossman: The member is a great help to his leader.

Mr. Sargent: —because the press has not got the time to cover all the operations so I suggest we should get back to this chamber. The people have a right to know what is going on and they will never know.

An hon. member: That is a three-ring circus and the member wants to get back to the meeting.

Mr. Speaker: The hon. member for Wentworth.

Hon. Mr. Bernier: Who is wasting time now?

Mr. Deans: Mr. Speaker, there is one matter that has not been raised yet that I feel is of rather vital importance. Some time ago I raised with the House during the budget debate that it was not possible for members to carry out the business that they were expected to carry out on behalf of their constituents if we continued with the present

method of having House and committee sitting concurrently.

What the House leader for the government has suggested, of course, perhaps in part meets that objection. But what he has failed to recognize is that every single one of the members of this House has a fairly heavy case-load of constituent work—

Mr. M. Gaunt (Huron-Bruce): Hear, hear!

Mr. Deans: —that is also a part of the job that we are elected to perform. The only time that this work can reasonably be done is during the hours in which the various departments of government are in operation and open to the public.

Mr. Gaunt: From 8:30 to 4:30.

Mr. Deans: It can be done only between 8:30 or 9 o'clock—

Hon. A. F. Lawrence: The member's party has a member who repeatedly insists on calling for a quorum.

Mr. Deans: —and 4:30 in the afternoon. I know that if we are going to have to be here by 10 in the morning in this chamber or in the committee; sitting until noon; spending the time between 12 and 2 o'clock eating and preparing for the afternoon session and the evening session, it will drastically cut down on the opportunity to perform the valuable services that we do perform on behalf of constituents.

Hon. Mr. Wishart: Right!

Mr. Deans: I think that what you are asking of us in going to affect drastically the problems that people have that they require us to assist them with.

Now I am prepared, and everyone in this party is prepared, to sit for as many days as are necessary to continue to deal with the legislative programme of the government.

Hon. Mr. Wishart: So are we!

Mr. Deans: We are prepared to sit here through the summer. We are prepared to sit in August and September and October as my colleague from Peterborough said. We are prepared to sit in such a way that will enable us to continue to carry out all of the obligations that we have as political people. That includes being available in the mornings to carry on conversations with constituents; to meet with delegations; to make representation to departments, to discuss with ministers; to dictate letters; to do all of the things—

Mr. Lewis: To appear before the Workmen's Compensation Board.

Mr. Deans: —to appear before the Workmen's Compensation Board or the Ontario Municipal Board hearings; to do all of the things that are rightfully expected of us. And if you think for one minute that this can reasonably be done with the hours that the House leader has proposed this morning, he is wrong. If the government does not think the people of this province will suffer as a result of what it has offered, it is also wrong. I suggest that while the House Leader may in all good conscience have believed that this was a way to meet the objection which I raised, which the leader of this party raised, and which other members in this House have raised from time to time over the last number of weeks he is mistaken. This is not how to do it, if the government wants to enable the members of the Legislature to deal sensibly or as sensibly as we are capable of dealing—the Attorney General obviously feels that many of us have little to say.

Hon. A. F. Lawrence: I feel that members opposite waste too much time.

Mr. Deans: This may well be so.

Hon. A. F. Lawrence: With repeated argument.

Mr. Deans: This may be so.

Hon. A. F. Lawrence: This is going to require a little self discipline.

Interjections by hon. members.

Mr. J. Renwick: Come, come! The Attorney General has never sat over here—to be faced by a government like his and then to be accused of being repetitive.

Mr. Deans: To require self discipline is one thing.

Mr. Pilkey: The Attorney General was looked on as a maverick. He was a maverick.

Mr. Deans: It is a little different. I think the cabinet has to understand.

Hon. A. F. Lawrence: There have to be changes.

Mr. Lewis: There will be changes.

Interjections by hon. members.

Mr. Lewis: This government will never be returned with a majority, my friend. It happened last February—that is when it began.

It is being consolidated here today. The government is going right down, right down. Its days are over. Everything it does shows it.

Mr. Speaker: The hon. member for Wentworth has the floor.

Mr. Sargent: He is wasting time. Let us go.

Mr. Deans: I think the cabinet fails to recognize one thing. Its members may well be able to carry out their business because their obligations in terms of legislative programme and entering into estimates and debate generally encompass only one particular estimate, or one set of bills that are coming into the House. Cabinet ministers can then leave the chamber, as they invariably do, and go to their offices and carry on their work, using the large staff that they have allocated to them. We recognize that the government back-benchers do not enter into debate and do not generally take part in what goes on in the House. Therefore, they can afford to be away from this House, taking care of the business of their constituents.

The only people who suffer by this kind of change are the people in the opposition; and the opposition, whether the government likes it or not, is a valuable and important part of any democratic process. It has to be given some consideration in not only the preparation of the remarks but also in the opportunity to deliver the remarks that its members have. I suggest to the House leader that what he is doing is to the detriment of the people of this province, and I ask him to withdraw it.

Mr. Lewis: We may have to announce our candidate in St. George very shortly.

Mr. Speaker: Does any other member wish to enter the debate?

Hon. Mr. Grossman: Mr. Speaker, I would just like to draw the attention of the House to the fact that the hon. member for Scarborough East, after having made such an impassioned speech on behalf of democracy, and so on, quoted from a book. It has always been the courtesy extended to the hon. members of the House that, when asked the hon. member sends one a copy of it or lets him read from it. I have asked the hon. member to be kind enough to send it to me—

Mr. T. Reid: Does the minister want this book?

Hon. Mr. Grossman: —so I could see within what context it was written. He has refused.

Mr. Trotter: I did not know that the minister read books.

Mr. T. Reid: I thought he was swearing at me.

Hon. Mr. Grossman: Of course, now the hon. member is sending it over when he sees the debate is over and I have no chance to look at it. He probably thinks that I was going to look there. I was anxious to find out what he said about the duties of the opposition.

Mr. Singer: Yes, read that part. It has been around for some five years.

Hon. Mr. Grossman: We are busy running the government, not looking up things like that. We have our own ideas. We do not necessarily have to go into the library to see what to say.

Mr. Speaker: The hon. member for Oshawa.

Interjections by hon. members.

Mr. Speaker: Order please

Hon. Mr. McKeough: Union buster!

Mr. Pilkey: I remember the contribution of the hon. member for Chatham at North American Plastics. I remember his contribution two years back. We will talk about that.

I want to just make a comment in regard to the statement that was made by the hon. member for Wellington-Dufferin when he said that there were only two members of the New Democratic Party in the House, which obviously is not true. There were at least five of us here all of last evening.

Interjections by hon. members.

Mr. Pilkey: Well there was the member for Hamilton East, the member for Wentworth, myself and the two members here. We were not out of the House—we were here all the evening. Hansard will show that we were here.

Hon. A. B. R. Lawrence (Minister of Health): How?

Mr. Lewis: And participated.

Mr. Stokes: And participated in the debate.

Mr. Pilkey: And participated. Right.

Interjections by hon. members.

Mr. Lewis: Anyway one member was not in his right seat in this vote.

Mr. Pilkey: Let me—

Mr. Lewis: I have never seen this member before. I do not believe it.

Hon. A. F. Lawrence: If the member for High Park was here, he would accuse his leader of misleading the House.

Mr. Lewis: I do not believe it. I just do not believe it. We will look into this—

Mr. Deans: Are you someone—

Mr. Lewis: —when this is over I will want to find out just who he is.

An hon. member: We will find out.

Interjections by hon. members.

Mr. Pilkey: In other words, there was some legislation—

Interjections by hon. members.

Mr. Speaker: Order, please!

Mr. Pilkey: There was some major legislation being debated last night. The leader of the New Democratic Party yesterday—just after the orders of the day—asked the House leader to suspend the committees while we debated important legislation in this House. I happen to think that every member in this House has a responsibility to be in this Legislature when important legislation is being debated, and obviously he cannot be here if he is in some committee some place.

And then to have a member of that government side stand up and criticize the New Democratic Party for not having people in the House when they are in committees of this Legislature, by the action of this government, is most irresponsible, most irresponsible.

Hon. Mr. Grossman: That is what hon. members opposite did to the minister.

An hon. member: Resign!

Mr. Pilkey: That the government would provide—

Mr. Lewis: And he is not even a member of this House. He is not even a member of the government.

Interjections by hon. members.

Hon. A. F. Lawrence: The member said that all the NDP members were down in the committee if they were not in the House?

Mr. Pilkey: That is right. That is exactly where they were.

Interjections by hon. members.

Mr. Speaker: Order!

Mr. Pilkey: You see, on this side of the House it is not good enough for us to find out what happened in this Legislature by reading the newspapers. The back-benchers over there find out what is going on in this House the next day. They pick up the newspaper and they find out what has happened.

Mr. Lewis: They want us to read the story for them.

Mr. Pilkey: Right. We want to be here and participating in a responsible way while the legislation is being debated; we do not want to read about it in the newspaper the next day.

Hon. Mr. McKeough: The newspapers are not here. The member for Grey-Bruce says the newspapers are not around.

Mr. Pilkey: I want to just reiterate the position that has been taken by many of the people on this side of the House, that we are prepared to stay in this chamber—

Hon. Mr. Grossman: Let us get down to business.

Mr. Pilkey: —and to conduct the business of the people of this province.

Hon. Mr. McKeough: Hear, hear!

Mr. Pilkey: Obviously it should be done in an orderly fashion. It is just chaos at the moment, and it has been prevalent for the last month, and I know that the House leader and the Attorney General were somewhat disturbed last night.

Hon. A. F. Lawrence: He is right. He was delaying things intentionally.

Mr. Pilkey: Yes. The minister said it was delaying things. He was somewhat disturbed because we moved three of his bills into committee, and for a very obvious reason—the members who wanted to discuss that legislation were in the committees. They were not given the opportunity—

Hon. A. F. Lawrence: Where are they now?

Mr. Pilkey: I beg your pardon? Are his bills up at this point? They are not even being debated. They will be here to discuss them. But they cannot be in two places at once.

Hon. A. F. Lawrence: He is in no place at once.

Mr. Pilkey: And as far as I am concerned it is most irresponsible—

Hon. Mr. McKeough: Let us get back to our ballot sheets.

Mr. Pilkey: —if the members of this Legislature cannot participate in the debates when important legislation is being placed in this House.

Interjections by hon. members.

Mr. Speaker: Order!

May I before this debate proceeds further, draw to the attention of the members of the House who were attacking Mr. Speaker for interfering in the debate, that what was in Mr. Speaker's mind was standing rule 16a(6), which has disturbed me.

I have had the opportunity now of checking the records and of conferring with the clerk, and that rule says that a matter is out of order if it reflects upon any previous vote of the House, unless it is the intention to move that it be rescinded. Therefore, unless the amendment to the motion now before the House is reworded so as to rescind the previous motion, it is not in order. That is the point that Mr. Speaker was trying to make when he read the proceedings of the other day, and at the moment he did not quite have the necessary information.

Mr. J. Renwick: If I may comment upon your remark, I think I would agree with you that is the interpretation the rules would require, if that were the motion on the only item before the House. This is an amendment to a procedural motion put by the House leader; it is a matter dealing with procedure, not a matter which has been debated and decided for all time in the Legislature as a procedural matter. Therefore, as it is a procedural amendment to a procedural motion put by the House leader to change the hours of sittings of the House, I would simply suggest that it would be ridiculous to state that procedural amendment such as this is out of order. It would destroy the substance of the rules of the House.

All we are attempting to say is that if the government is proposing, as it is in its motion, to change the order of business of the House, to change the hours of sittings of the House—

Mr. Stokes: They are changing the rules of the ballgame.

Mr. J. Renwick:—then it is quite in order. And it would not have mattered if it had been debated yesterday afternoon in a different context; it would be perfectly in order for an amendment to be made varying the change proposed by the House leader. I would submit that in these circumstances that particular rule of the House was not intended to apply, and does not in fact apply to a situation such as this.

Mr. Nixon: Mr. Speaker, speaking to the point of order, I want to urge you as strongly as I possibly can, sir, not to rule the amendment to the motion out of order. Surely it should be considered by yourself as a proper amendment of a motion that is before the House on the ordering of our business during the next week and not as anything that is going to set down ground rules for all time. Surely, sir, it should be considered by the House as a valid amendment.

An hon. member: Hear, hear!

Mr. Speaker: Of course, I have no objection. The debate has proceeded and I presume the motion will be taken, but I was most upset and am still upset at the allegation that Mr. Speaker was engaging in the debate. I am trying to point out why Mr. Speaker was involved—

Mr. Stokes: So are we.

Mr. Lewis: So are we.

Mr. Speaker:—I am still of the opinion that my view of the matter is correct, that this is a matter which recinds a previous motion of the House and therefore should be specifically included in this motion. However, now that the matter has been brought to the attention of the members and both opposition parties understand the situation, as far as Mr. Speaker is concerned we will proceed with the motion and the amendment debate as we have been doing.

Is there any other member who wishes to speak to this amendment? Has the minister anything further to say?

Hon. A. F. Lawrence: There is a lot that could be said, but we do not want to waste the time of the House.

Mr. Deans: Most of what he has said is irrelevant anyway.

Mr. Speaker: The motion by hon. Mr. Wishart is that: Commencing on Tuesday next the House will meet each day, including Wednesday, at 10 a.m., and will rise for a luncheon interval from 12 noon until 2 p.m.; also that in the period each day from 10 a.m. until 12 noon the House will deal with orders of the day, the routine proceedings being taken up as usual at 2 p.m."

In amendment, Mr. Renwick has moved that the motion be amended by adding thereto the following words, "But that standing committees not meet while legislation is being considered on second reading or in Committee of the Whole House."

The House divided on Mr. J. Renwick's amendment which was negatived on the following vote:

AYES	NAYS
Ben	Allan
Bolton	Apps
Braithwaite	Auld
Bukator	Bales
Burr	Belanger
Deacon	Bernier
Deans	Brunelle
Edighoffer	Carruthers
Ferrier	Carton
Gaunt	Demers
Gisborn	Downer
Haggerty	Dunlop
Jackson	Evans
Lewis	Gilbertson
MacDonald	Grossman
Makarchuk	Guindon
Martel	Hamilton
Newman	Haskett
(Windsor- Walkerville)	Henderson
Nixon	Hodgson
Peacock	(Victoria- Haliburton)
Pilkey	Hodgson
Pitman	(York North)
Reid	Jessiman
(Scarborough East)	Johnston
Renwick	(St. Catharines)
(Riverdale)	Kennedy
Renwick (Mrs.)	Kerr
(Scarborough Centre)	Lawrence
	(Carleton East)

AYES

Ruston
Sargent
Singer
Spence
Stokes
Trotter
Worton—32.

NAYS

Lawrence
(St. George)
MacNaughton
Morrow
McKeough
McNeil
Newman
(Ontario South)
Potter
Price
Randall
Reilly
Rollins
Root
Rowe
Rowntree
Smith
(Simcoe East)
Smith
(Hamilton
Mountain)
Snow
Stewart
Villeneuve
Wells
White
Whitney
Winkler
Wishart
Yaremko—51.

Clerk of the House: Mr. Speaker, the "ayes" are 32, the "nays" 51.

Mr. Speaker: I declare the amendment lost. The vote will now be on the main motion. Is it agreeable that the same count in reverse be taken?

Motion agreed to.

Introduction of bills.

PUBLIC HEALTH ACT

Hon. A. B. R. Lawrence moves first reading of bill intituled, An Act to amend The Public Health Act.

Motion agreed to; first reading of the bill.

Hon. A. B. R. Lawrence: Mr. Speaker, briefly this relates to outdoor festivals and the input that is required on behalf of this department by the emergency health services, by our public health division and by the Addiction Research Foundation.

It is intended to give the department, through the minister, more power to regulate in relation to health and personal safety involving these particular activities.

PITS AND QUARRIES CONTROL ACT,
1971

Hon. Mr. Bernier moves first reading of bill intituled, An Act to Regulate Pits and Quarries and to Provide for their Rehabilitation.

Motion agreed to; first reading of the bill.

Hon. Mr. Bernier: I take very great pleasure today, Mr. Speaker, in introducing to this House The Pits and Quarries Control Act, 1971, An Act to Regulate Pits and Quarries and to Provide for their Rehabilitation.

Few matters, Mr. Speaker, have been the subject of more exhaustive investigation and research by members of my department than the preparation of this Act. The Act reflects the consensus that resulted from the research which led to the production of 14 separate reports; the experience gained by the government of Ontario and various municipal governments administering The Niagara Escarpment Protection Act; meetings with aggregate producers, citizen and ratepayer groups, as well as with municipal government representatives.

A great many private citizens have also come to talk to me about particular problems they face in their own communities. As well, I have toured many parts of southern Ontario to see first hand the nature of pit and quarry operations—the bad ones as well as the good ones—and I intend to examine these operations further in the future.

As you know, Mr. Speaker, much of the research in the drafting of The Niagara Escarpment Protection Act took place during the period in office of my predecessor, the hon. member for St. George, now the Minister of Justice and Attorney General of Ontario. I would like to pay him tribute for the very excellent and thorough work he did in preparing the way for this Act.

Interjections by hon. members.

Hon. Mr. Bernier: It is a well-earned tribute. This proposed legislation, if approved by this House, will guarantee not only that sufficient aggregate will be available to meet present and future demands of the vigorous construction and the highway programmes that are both being carried out and contemplated, it will also provide protection of the quality of our environment and the aesthetics of life that have been so often overlooked.

Mr. Stokes: By whom?

Hon. Mr. Bernier: The job, Mr. Speaker, will be difficult—

Mr. J. Renwick: That is the order of priority of this government—right in that paragraph. It is a failure.

Hon. Mr. Bernier: The job, Mr. Speaker, will be difficult. Estimates published by my department indicate that by 1980, 18 tons of aggregate will be required on a per capita basis to meet the needs of the Toronto-Hamilton-Niagara area of this province, and much more will be needed in northern Ontario for road construction alone. In 1967, the per capita use of aggregate in the north was 15.4 tons, and as more and more high-rise apartments and office buildings are built and as reinforced concrete and precast concrete consumption grow, so too will the demand for aggregate continue to grow.

But, difficult though the task will be, the government of Ontario is prepared to provide the leadership we need to ensure the end of this eyesore to the Ontario landscape.

Mr. Stokes: Who is responsible for the eyesore?

Hon. Mr. Bernier: I think I should read that again, gentlemen. But, difficult though the task will be, the government of Ontario is prepared to provide the leadership we need to ensure the end of this eyesore on the Ontario landscape.

Mr. J. Renwick: It all happened under the Tory government for 25 years.

Hon. Mr. Grossman: Way-to-go!

Hon. Mr. Bernier: The government is prepared to act. It accepts the responsibility placed upon it by the rapidly changing demands of our urban society—

Mr. Stokes: This government presided over the eyesore for 28 years.

Hon. Mr. Wishart: Will members hurry this legislation through?

Hon. Mr. Bernier: And it has set its sights high enough to ensure a high degree of environmental protection. At the same time, we will ensure a sufficient supply of aggregate to meet the needs of our expanding Ontario community.

For years, pit and quarry operators have been extracting aggregate from all over southern Ontario, many with little regard

for the noise, dirt and traffic hazards caused by their operations and even less for any thought of rehabilitating the land that they have disturbed.

However, Mr. Speaker, the introduction of this Act would not have been possible had public opinion not been aroused to the need for change—

Mr. J. Renwick: It certainly would not have come from the government anyway!

Hon. Mr. Bernier: Never before in the history of Ontario have so many individuals and citizen organizations spoken so clearly on public affairs as they have in the past three years. And the government of Ontario has listened to them; it has listened to them very carefully, I might add, and has responded to them in the drafting of this legislation.

Mr. Martel: For 28 years it has listened.

Hon. Mr. Bernier: There has been pressure on the government from some who have been demanding that the government act before all the facts were known and all the views of all the people had been heard. I am proud that my colleagues in the government resisted this pressure and insisted throughout the public discussion of this matter that leadership would prevail over blind panic.

Mr. J. Renwick: I have underestimated the Minister of Mines; he outdid the Minister of Trade and Development in this.

Hon. Mr. Bernier: There has also been pressure to propose legislation that would have the effect of practically ruining the industry. The job of tying together provide-wide legislation—

Mr. Stokes: As the Minister of Trade and Development would say, this is an awful lot of incredibility.

Hon. Mr. Bernier: —that for the most part deals with private property is at once immense and controversial. It is also time-consuming.

In nearly all cases, particularly in southern Ontario, where most aggregate production takes place, the work is carried out on privately owned land. This means that the normal government restrictions which might apply to the use of Crown lands simply do not apply.

Until the passing of The Niagara Escarpment Protection Act last year, controls which

could be made to apply to the mining operation in the north had no application to the pits and quarries on privately owned lands in the southern part of the province. What is more, municipalities which have had planning jurisdiction have certain regulatory by-laws, but more often than not, these go unenforced. Even when they are applied, they are so divergent that anything approaching overall supervision—

Mr. Singer: What page are we up to?

Hon. Mr. Bernier: —of the extractive industry is almost impossible and will remain so, Mr. Speaker, until this Act is passed.

It is self-evident that blanket legislation could not work if each case is to be tried on its individual merits. It is for this reason, Mr. Speaker, that the Act which lies before you relies to a considerable extent on the use of regulations reserving to the minister broad discretionary powers.

Mr. Singer: Justice goes out the window again.

Mr. T. Reid: Lies on the floor again.

Mr. MacDonald: McRuer is dead again.

Mr. Lewis: It is a bogus Act.

Interjections by hon. members.

Hon. Mr. Bernier: The reasons are there. They explain to you—

Mr. Singer: There were 193 recommendations.

Interjections by hon. members.

Hon. Mr. Bernier: We will have all kinds of opportunities.

Mr. Speaker: The hon. minister has the floor for the purpose of making a speech on the introduction of a bill, and not for debating the bill with members of the opposition. Would he please continue with his statement.

Interjections by hon. members.

Mr. Stokes: Tell him not to be so provocative and tell him to stick to the text. I have lost my place.

Hon. A. F. Lawrence: Here comes the nonsensical delay.

Hon. Mr. Bernier: The next paragraph is extremely interesting.

Mr. Singer: Yes.

Hon. Mr. Bernier: This Act vests the province and the municipalities with equal power: The province, because of the necessity for uniform control, and the municipality because it is so directly affected by the proximity of pit and quarry operations.

In essence, Mr. Speaker, this legislation should perform four basic functions.

Mr. Singer: The province passes half the regulations and the municipalities the other half.

Hon. Mr. Bernier: No, I think the hon. member is wrong.

Mr. Lewis: That is for sure.

Hon. Mr. Bernier: First, it would allow the province to control the operation of pits and quarries as they affect the environment. Second, it would allow municipalities to control the location of future pits and quarries within the framework of The Ontario Planning Act. Third, it would ensure the rehabilitation of excavation sites.

Fourth, it would guarantee that sound planning principles established by the government of Ontario, through its Department of Municipal Affairs, will apply to the establishment of future pits and quarries, and as well will maintain control through my department of all existing pits and quarries which are now licensed throughout the Niagara Escarpment, or in any area to be designated by this government.

This legislation has been designed in a way that permits ultimate flexibility. For this we will bring in supplementary regulations to cover stipulated areas.

Mr. Singer: Regulations and supplementary regulations?

Mr. Lewis: There is flexibility.

Hon. Mr. Bernier: This is because, I explain, the areas themselves cannot even be broken down into counties or townships. In fact, Mr. Speaker, they are really pieces of land we can only describe as parts of the province. Some of them straddle concession lines—

Mr. J. Renwick: Gracious! Imagine that!

Hon. Mr. Bernier: —others are so small they may only cover part of a township—

Mr. Stokes: Very perceptive.

Hon. Mr. Bernier:—so that once we get into specifics the lines of demarcation will have to be expressed in lot numbers.

Mr. Lewis: That is quite a revelation.

Mr. J. Renwick: What was there first? The pit and quarry or the demarcation line?

Hon. Mr. Bernier: This, then, is blanket legislation covering the entire province but excluding those areas not used for extraction.

Mr. Stokes: This is blanket legislation. There is a lot going on under the covers!

Hon. Mr. Bernier: Under this Act, existing operators will continue their operations, but they will within six months apply for a licence—

Interjections by hon. members.

Hon. A. F. Lawrence: Keep going.

Hon. Mr. Bernier:—after a site plan has been filed with my department.

Interjections by hon. members.

Hon. Mr. Bernier: Their licences will be for one-year periods subject to regular inspection by officials of The Department of Mines and Northern Affairs and in compliance with the provisions of this proposed legislation.

Mr. J. Renwick: Wait till the editor of the Globe and Mail gets to the minister.

Mr. Lewis: Wait till the minister reads the Globe and Mail tomorrow.

Hon. Mr. Bernier: All site plans—

Mr. Lewis: The minister will not be smiling.

Hon. Mr. Bernier: All site plans must be filed with my department within six months of the date this Act comes into force.

Interjections by hon. members.

Hon. A. F. Lawrence: We are giving him a licence.

Hon. Mr. Bernier: The Niagara Escarpment Protection Act will be repealed seven months from the day this Act comes into force.

The Act provides for two routes of appeal. The Ontario Municipal Board will hear any appeal from a decision of the minister.

Mr. J. Renwick: I am glad he switched from the permits.

Hon. Mr. Bernier: The Act also provides an appeal to the Supreme Court of Ontario on any point of law.

Mr. Singer: Point of law? That is gracious of the minister.

Hon. Mr. Bernier: Mr. Speaker, I would like to thank all those who have participated in the development of this legislation—

Mr. Singer: Is second reading to start now?

Hon. Mr. Bernier:—and in particular I would like to thank the representatives of municipal governments and municipal associations who have spent many hours with me discussing the urgent need for this legislation in their areas.

I would also like to express my own appreciation for the efforts some aggregate producers have made in improving the quality of their operations and who have responded positively to the need for change.

To the citizens groups which visited me may I say they have my assurance that those areas where the need exists will be the first to become designated areas once this Act comes into force.

Mr. Speaker, I believe the Act will speak for itself. It is my hope that it will receive the endorsement of all members of this House within the very near future, so that its benefits can take effect as soon as possible.

In closing, Mr. Speaker—

Mr. Lewis: There was a closing?

Hon. Mr. Bernier:—as a northerner it is my hope that this Act—

Mr. Nixon: That sounds like the minister.

Mr. Trotter: This is election stuff.

Hon. Mr. Bernier:—will restore to southern Ontario the natural beauty that the north has never lost.

Mr. Lewis: On a point of order, a question. Are we to have the regulations accompanying this Act before second reading today? Everything is dependent on them; are we to have them?

Hon. Mr. Bernier: No, Mr. Speaker.

Mr. Lewis: All right, okay. Then the Act is a bogus Act.

Mr. Singer: No more bills?

Mr. Speaker: Orders of the day.

Hon. A. A. Wishart (Minister of Financial and Commercial Affairs): Mr. Speaker, the Lieutenant Governor is standing by to give royal assent.

The Honourable, the Lieutenant Governor of Ontario entered the chamber of the legislative assembly and took his seat upon the throne.

Hon. W. Ross Macdonald (Lieutenant Governor): Pray be seated.

Mr. Speaker: May it please Your Honour, the legislative assembly of the province has, at its present sittings thereof, passed certain bills to which, in the name of and on behalf of the said legislative assembly, I respectfully request Your Honour's assent.

The Clerk Assistant: The following are the titles of the bills to which Your Honour's assent is prayed:

Bill 49, An Act to amend The Securities Act, 1966.

Bill 62, An Act to amend The Trustee Act.

Bill 66, An Act to amend The Venereal Diseases Prevention Act.

Bill 67, An Act to amend The Nursing Homes Act, 1966.

Bill 71, An Act to amend The Liquor Licence Act.

Bill 72, An Act to amend The Liquor Control Act.

Bill 75, The Tile Drainage Act, 1971.

Bill 76, An Act to authorize the Raising of Money on the Credit of the Consolidated Revenue Fund.

Bill 77, An Act to amend The Ontario Universities Capital Aid Corporation Act, 1964.

Bill 78, An Act to amend The Public Service Superannuation Act.

Bill 84, The Hotel Fire Safety Act, 1971.

Bill 88, An Act to amend The Farm Products Marketing Act.

Bill 90, An Act to Provide for the Protection of Persons in Industrial Establishments.

Bill 91, An Act to Regulate the Handling and Use of Hydrocarbons.

Bill 96, An Act to amend The Agricultural Representatives Act.

Clerk of the House: In Her Majesty's name, the Honourable, the Lieutenant Governor doth assent to these bills.

The Honourable, the Lieutenant Governor was pleased to retire from the chamber.

Hon. A. F. Lawrence (Minister of Justice): Can we pass vote 901 anyway and get something done today?

Mr. V. M. Singer (Downsview): No, no!

Hon. Mr. Wishart: Mr. Speaker, it appears to be so close to the hour of 1 o'clock that—

Hon. A. F. Lawrence: The opposition has kept on delaying, wasting time again.

Hon. Mr. Wishart: Before I move the House adjourn, I would indicate that on Monday afternoon we would go on the order paper to the estimates of The Department of Justice and continue those for the day.

Mr. E. W. Martel (Sudbury East): And maybe some bills?

Hon. Mr. Wishart: I think on Tuesday—if members wish me to forecast that far ahead—on Tuesday morning, in line with the motion which we debated this morning, at 10 o'clock I would suggest we would go to those items which appear under Committee of the Whole, in the hours between 10 and 12 and attempt to dispose of those on Tuesday morning. The estimates of The Department of Justice will continue on Monday.

Hon. Mr. Wishart moves the adjournment of the House.

Motion agreed to.

The House adjourned at 1 o'clock p.m.

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